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84TH CONGRESS
1ST SESSION

H. R. 4778

IN THE HOUSE OF REPRESENTATIVES

MARCH 10, 1955

Mr. ALEXANDER introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department, contractors with the Post Office Department, mail clerks of the Armed Forces, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That whenever the Postmaster General determines it to be
4 to the best interests of the Government he may, under such
5 regulations as he may prescribe, purchase, out of appropria-
6 tions or other funds available to the Post Office Department,
7 such blanket position, position schedule, or other type of
8 surety bonds as he may deem appropriate to cover any or
9 all categories of postmasters, officers, and employees of the

1 Post Office Department, contractors with the Post Office
2 Department, and mail clerks in the armed services and the
3 Coast Guard, required by law or administrative determina-
4 tion to be bonded. The bonds may cover periods not in
5 excess of four years, and shall contain such conditions and
6 be in such penalty as the Postmaster General may deem nec-
7 essary to protect the interests of the Government. Nothing
8 in this Act shall relieve such postmasters, officers, employees,
9 contractors and mail clerks and their sureties from any
10 liability otherwise imposed by law.

84TH CONGRESS
1st Session

H. R. 4778

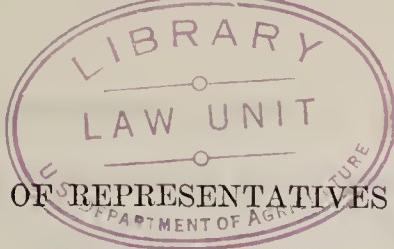
A BILL

To provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department, contractors with the Post Office Department, mail clerks of the Armed Forces, and for other purposes.

By Mr. ALEXANDER

MARCH 10, 1955

Referred to the Committee on Post Office and Civil Service



POSTAL EMPLOYEES' BONDS

APRIL 26, 1955.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DAVIS of Georgia, from the Committee on Post Office and Civil Service, submitted the following

R E P O R T

[To accompany H. R. 4778]

The Committee on Post Office and Civil Service, to whom was referred the bill (H. R. 4778) to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department, contractors with the Post Office Department, mail clerks of the Armed Forces, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

No. 1. Page 1, line 9, strike out "categories of".
No. 2. Page 2, lines 1 and 2, strike out "contractors with the Post Office Department".

No. 3. Page 2, line 4, after "The" insert "premiums on any such".

No. 4. Page 2, line 5, after "four years, and" insert "the bonds".

No. 5. Page 2, line 9, strike out "contractors".

The title of the bill is amended so as to read:

A bill to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes.

PURPOSE OF AMENDMENTS

The purpose of amendment No. 1 is to eliminate an apparent restriction on the issuance of bonds to "categories of" employees which creates a description that does not presently exist in the postal service.

The purpose of amendments No. 2 and No. 5 is to strike from the provisions of the bill contractors of the Post Office Department.

The purpose of amendments No. 3 and No. 4 is to eliminate unnecessary paperwork which would result from reissuing bonds in cases where the same surety was a successful bidder for an additional term.

The amendment to the title of the bill conforms the title to the text of the bill.

STATEMENT

This legislation will authorize the Postmaster General to purchase bonds for officers and employees in the postal establishment when he determines it to be in the interest of the Government. The purchases will be consummated in accordance with such regulations as the Postmaster General may issue. Such purchases will be subject to existing requirements of law governing official and penal bonds (title 6, U. S. C.) and to the standard requirement of advertising for public purchases (41 U. S. C., sec. 5).

The two major departments of the Government whose employees are bonded are the Treasury Department (particularly the Bureau of Internal Revenue) and the Post Office Department. Last Congress the Bureau of Internal Revenue was authorized to purchase bonds for its employees required to be bonded (sec. 7803 (c), Internal Revenue Code of 1954). It is presently establishing a system for purchasing such bonds.

This legislation is recommended in the interest of economy and efficiency in the postal service. The Postmaster General reports that it will reduce operating costs and eliminate a large part of the recordkeeping that is necessary under the present system of bonding individual employees.

Some 1 million bonds now are written annually to cover the 500,000 postal employees, temporary Christmas employees, and employees who come and go during the year. Previous hearings on this subject disclosed that employees pay over \$1,300,000 a year in premiums on these bonds. Recoveries by the Government on these bonds represent but a small fraction of the cost to employees; more than 85 percent of all losses are recovered from the individual employees. The administrative cost to the Department in servicing these bonds and maintaining the records incident thereto approximates \$300,000 per annum.

Under this legislation 80,000 bonds will be sufficient, comprising some 40,000 to cover postmasters and an additional 40,000 covering employees in the post offices, plus 3 bonds for employees in the Postal Transportation Service, the Inspection Service, and the Department in Washington. With experience under this new legislation the number of 80,000 in all likelihood will be still further reduced, with attendant savings in administrative costs as well as increased efficiency.

A 10-year experience indicates that losses, which might eventually be charged to sureties, approximate \$595,000 per annum. About \$509,000 of this is to be recovered from defaulting employees, contractors, their friends and relatives, leaving about \$86,000 per annum to be paid by the surety companies.

The premium cost to the Department should be no more, and eventually less, than the cost of administering the present bonding program.

The Comptroller General has reported to the Congress as follows:

Proposals embodying the same or similar provisions for purchase by the Government of bonds on a blanket basis have been under consideration by the last several Congresses. In reporting on their various provisions, we have favored the adoption of blanket or position schedule plans of bonding in order to obtain the

benefits of flexibility inherent in package coverage and to realize savings that may be expected to result, to employees and the Government, from elimination of individual bonds and their processing costs by both sureties and the Government.

A representative of the Comptroller General's office testified that they have, in the past, preferred a bill that included all Government employees. However, this committee has jurisdiction only over the Post Office Department and postal employees. It was further emphasized that the only other large group of employees in the Government required to furnish bonds are in the Bureau of Internal Revenue, Department of the Treasury. They were provided a similar authority to furnish bonds under section 7803 (c) of the Internal Revenue Code of 1954.

This legislation was recommended by the Postmaster General and has the approval of the Bureau of the Budget and the General Accounting Office. The letter of the Postmaster General to the Speaker of the House requesting this legislation follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington 25, D. C., February 28, 1955.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: Transmitted herewith, for consideration by the Congress, is proposed legislation to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department, contractors with the Post Office Department, mail clerks of the Armed Forces, and for other purposes.

The purpose of this legislation is to confer additional authority on the Postmaster General under which he may, if he determines it to be to the best interest of the Government, purchase blanket position, position schedule, or other type of surety bonds for those persons who presently are required to give individual surety or other type of bonds for the protection of the Government. Payment for such bonds would be made out of appropriations or other funds available to the Department. Under the proposal, the Postmaster General may, if he considers it to be to the best interest of the Government, continue to require certain categories of the persons covered by the proposed bill to give individual bonds.

This legislation is necessary to reduce postal operating costs and eliminate much of the recordkeeping necessary under the present bonding procedures. This can be accomplished if the following blanket position and position schedule bonding program is adopted:

- (1) Obtain an individual qualifying bond covering each postmaster as at present.
- (2) For each post office, obtain a blanket position bond covering all employees (except postmasters) in an office, or obtain a position schedule bond if it is determined that some, but not all, employees are to be covered.
- (3) Obtain one blanket position bond covering all field service personnel, including supervisors, of the Postal Transportation Service.
- (4) Obtain a blanket position bond covering all employees in the Post Office Inspection Service.
- (5) Obtain a blanket position bond covering all officers and employees in the Department or obtain a position schedule bond if it is determined that some, but not all, employees in the Department are to be covered.
- (6) Obtain a blanket position bond for each group of contractual employees to be covered.
- (7) Obtain for each group of military personnel in the armed services and the Coast Guard a blanket position bond covering each particular group.

If the foregoing program is adopted, some 40,000 bonds will be written to cover postmasters. There will be not in excess of an additional 40,000 bonds covering employees in post offices. Three bonds would cover the employees in the Postal Transportation Service, the Inspection Service, and the Department. Certainly not more than 10 bonds would cover the contractual employees, and not in excess of 5 should cover the military and Coast Guard mail clerks. In all, 80,000 bonds should be sufficient for the entire service.

As experience is gained, the 80,000 bonds, in all likelihood, can and will be reduced. For instance, it might be possible to obtain a position bond to cover all postmasters within a given State or region. This, quite likely, is a procedure which could be applied to all employees under postmasters within a given State or region.

It has not been possible to obtain firm figures as to the probable cost of the blanket position and position schedule bonding program. A representative of the Association of Casualty and Surety Companies stated, however, that when H. R. 8706, 81st Congress, was under consideration, it was calculated that such a bonding program for all of Government would cost about \$750,000. This representative, while he did not desire to be held to a figure, said he was of the opinion that the plan for the postal service could be installed for a cost of about \$200,000 and, in any event, not to exceed \$300,000. He stated that he was sure whatever the cost might be in the beginning, it would, as a result of experience, be reduced materially after the plan had been in effect a while and the bonding companies began competing with one another for the writing of surety in their respective areas throughout the country.

Under the present system some 1,000,000 bonds are written annually for the postal service. These cover the 500,000 postal employees, temporary Christmas employees, employees who come and go during the year, and contractual employees. Previous hearings on this subject disclose that premiums paid by employees are in excess of \$1,300,000 per annum. The Department's administrative costs incident to seeing that all employees are bonded, that premiums are paid, and that bonds do not lapse, approximate \$300,000 per annum. In addition to this cost, there is the cost of investigating losses which will continue regardless of the plan adopted.

A 10-year experience indicates that losses, which might eventually be charged to sureties, approximate \$595,000 per annum. About \$509,000 of this is recovered from defaulting employees, contractors, their friends and relatives, leaving about \$86,000 per annum to be paid by the surety companies.

It appears that there are some definite advantages in procuring blanket position and position schedule bonds over against the establishment of an employees' guaranty fund or a self-insurance plan.

These are—

- (1) The Government does not enter the field of business and compete with established business concerns.
- (2) Competitive bidding by surety companies will insure coverage at a minimum of cost.
- (3) The investigations and efforts made by surety companies to recover losses have a moral effect on employees which is extremely beneficial to Government.
- (4) Losses charged off to a guaranty fund or under a self-insurance plan may be susceptible to lax administration and political pressures, whereas these factors and conditions are not a matter of concern to corporate surety.
- (5) The costs of surety companies will be materially reduced if they can write 80,000 bonds instead of 1,000,000 and still not reduce the protective coverage to the Post Office Department.
- (6) The blanket position and position schedule bonds are the most modern and are generally used by business organizations.
- (7) The premium cost to the Department should be no more, and eventually less, than the cost of administering the present bonding program.
- (8) The business of the Department's field offices will be expedited inasmuch as the number of surety companies with which they would transact business will be reduced from many to not exceeding 1 or 2.
- (9) The employees of the postal service will save premiums to the extent of \$1,300,000 per annum.
- (10) The blanket position and position schedule bonding plan is sufficiently flexible to permit expansion and contraction of coverage as desired.

The proposed legislation should not cost more than \$300,000 which will offset the present administrative costs, hence no cost to the Department. Eventually, it is believed that as experience is gained, the premium costs of \$300,000 will be reduced.

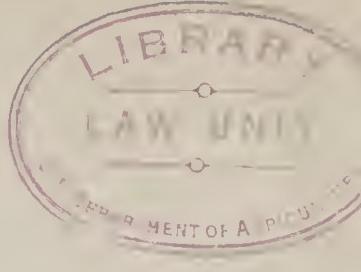
It is believed that the legislative proposal transmitted herewith will accomplish the purposes desired, and this Department urges its early enactment.

The Bureau of the Budget has advised that there would be no objection to the submission of this legislative proposal to Congress.

Sincerely yours,

ARTHUR E. SUMMERFIELD,
Postmaster General.





84TH CONGRESS
1ST SESSION

H. R. 4778

IN THE SENATE OF THE UNITED STATES

MAY 19 (legislative day, MAY 2), 1955

Read twice and referred to the Committee on Post Office and Civil Service

AN ACT

To provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That whenever the Postmaster General determines it to be
4 to the best interests of the Government he may, under such
5 regulations as he may prescribe, purchase, out of appropria-
6 tions or other funds available to the Post Office Department,
7 such blanket position, position schedule, or other type of
8 surety bonds as he may deem appropriate to cover any or
9 all postmasters, officers, and employees of the Post Office
10 Department, and mail clerks in the armed services and the

1 Coast Guard, required by law or administrative determina-
2 tion to be bonded. The premiums on any such bonds may
3 cover periods not in excess of four years, and the bonds
4 shall contain such conditions and be in such penalty as the
5 Postmaster General may deem necessary to protect the
6 interests of the Government. Nothing in this Act shall
7 relieve such postmasters, officers, employees, and mail clerks
8 and their sureties from any liability otherwise imposed by
9 law.

Passed the House of Representatives May 17, 1955.

Attest:

RALPH R. ROBERTS,

Clerk.

AN ACT

To provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes.

MAY 19 (legislative day, MAY 2), 1955

Read twice and referred to the Committee on Post Office and Civil Service

House of Representatives

TUESDAY, MAY 17, 1955

The House met at 12 o'clock noon.
The Chaplain, Rev. Bernard Braskamp,
D. D., offered the following prayer:

Almighty God, in the quiet of this noon hour, we are centering our thoughts upon the amazing greatness and grandeur of the Prince of Peace in whom we find our noblest incentives for right living and heroic service.

Grant that our own life may bear clear and unmistakable testimony that we are seeking to emulate and incarnate his spirit of love and good will and striving to deliver humanity out of the bondage of rancor and hatred and lead it into the paths of brotherly kindness.

Help us to feel that the hour has struck when the moral and spiritual forces must accept the leadership in dispelling from the hearts of men and nations all bitterness and prejudice.

Take away from us the moods of discouragement and defeatism, and may we believe that our longing for peace on earth is not merely an idle dream and a vague impossibility but a glorious, divine inspiration which someday will be a blessed reality.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION BILL, 1956

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H. R. 5239) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1956, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of March 16, 1955.)

Mr. WHITTEN (interrupting the reading of the statement). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mrs. GRIFFITHS. Mr. Speaker, reserving the right to object, I would like

to ask the gentleman a question. I would like to make it clear that in this conference report where you have stated:

The conferees are also in full agreement that the recent action of the Department decreasing attention to home-economics research should be reviewed and a portion of the funds transferred to human nutrition should be redirected to its original purpose, as contemplated by the amendment adopted in the Senate.

That the conferees in this report do not agree that home economics as such be dispensed with by the Department of Research; is that right?

Mr. WHITTEN. I will say to the gentlewoman that certainly that is our intent. We tried, in the language, to make it quite evident that that was our position. May I say that is as far as we knew how to go. The Senate amendment was hardly needed to get the job done, in that it took the place of what the House had in its report. We mentioned the Senate amendment to make it clear that by not including it—there was no need to include it—we did not need to change the intent of that amendment in the least. So, insofar as we could—and the conference report was unanimously adopted—we made it quite clear at least how the conferees felt about this matter.

Mrs. GRIFFITHS. I should like to ask the gentleman further, in general these departments have followed the intent of Congress; is that not true?

Mr. WHITTEN. In general I would say that the gentlewoman is correct. There have been exceptions, but if they do not, there is nothing that can be done other than to tell them what to do.

Mrs. GRIFFITHS. Then I would like to ask further, the amount of money that was appropriated originally contemplated that home economics research, apart from that in the nutrition field, would be continued; is that not so?

Mr. WHITTEN. We did not try to earmark a definite amount of money. We did say, and the Senate amendment provided, that not less than \$40,000 be retransferred. In the opinion of the House committee, in view of the overall size of the appropriation for the Bureau of Human Nutrition and Home Economics, we seriously questioned whether that was an ample transfer. We feel that a substantial part of the work heretofore done by the home economics section should be restored. Insofar as pinpointing exactly how much, we have not tried to do that.

Mrs. GRIFFITHS. But the amount of money that the Department asked was an amount sufficient to have carried on home economics research as it was originally set up; is not that right?

Mr. WHITTEN. May I say that the original amount was \$1,426,000 and when this home economics work was cut out at the direction of the director, no money was returned to the Treasury, but all the funds were transferred to the work on human nutrition. So the full amount formerly carried for both lines of work is retained. They are merely directed to reallocate or to give back a reasonable share of the money to the home economics work.

Mrs. GRIFFITHS. I thank the gentleman very much. In view of the fact that the gentleman has made it amply clear that it is the sense of this body that the home economics research, apart from that connected with human nutrition, is to be continued in this Department as it has been for the last 32 years, I withdraw my objection.

There should now be no doubt in the minds of Secretary Benson and others in the Department that the Congress intends for this worthwhile research program to be reinstated and continued.

Progress in any human endeavor results directly from impartial, objective research activities. The American home and family living should be given as much importance in the consideration of a balanced research program as any other matter.

One of the great contributions of home economics research by our Government is the fact that this work is not duplicated anywhere else. Our great home economics teaching programs, the work of home demonstration agents, and the progress of individual homemakers depends upon a continuation of a balanced research program within the Department.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTEN]?

There was no objection.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Page 27, line 22, insert "*: Provided further, That \$934,914 of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such time as may become necessary to carry out program operations: Provided further,*"

Mr. WHITTEN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the motions was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to extend their remarks on the conference report just adopted.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

COMMITTEE ON PUBLIC WORKS

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent that the Subcommittee on Flood Control of the House Committee on Public Works may be permitted to sit this afternoon while the House is in session during general debate.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be permitted to sit this afternoon during general debate while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be permitted to sit this afternoon while the House is in session during general debate.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AUSTRIA IS FREE

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SIKES. Mr. Speaker, Austria is free. The rejoicing of her people is understandable and moving. Yet strangely this freedom for much of Austria comes as an anticlimax. Actually the allied sections of Austria have been free in nearly all aspects since shortly after the end of World War II. Had not the Russians interposed endless objection all of Austria would have been fully free 5 years ago. Yet I fear that Russia now gets the lion's share of the credit in the minds of the Austrians for the freedom which finally has come to them. So cleverly did the Russians maneuver the final preparation and signing of the treaties that the Allies found themselves clambering to get on the bandwagon of Austrian freedom which the Allies themselves had long previously endorsed.

There is in this a very pointed lesson. Top-level talks are programmed on peace and coexistence worldwide. I earnestly hope America's leaders do not find themselves again clambering to get on a band-

wagon for the unification of Germany after Russia grabs credit with the Germans for putting it in motion. I hope our leaders are able to convince the world that we are the ones who have sought peace; the ones who have paid dearly from our own resources to help others; the ones who really believe in and practice freedom for others.

At this point the Russians are preparing to claim all these things as their own private inventions—and to brand us as the obstructionists who have prevented their realization. It will be interesting to see how much we have learned about dealing with the rest of the world. We have had some costly lessons. I hope the scheduled top-level conferences will not prove to be just another costly lesson.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PENSION FOR MEDAL OF HONOR HOLDERS

The Clerk called the bill (H. R. 735) to increase the rate of special pension payable to certain persons awarded the Medal of Honor.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

COMMISSION OF FINE ARTS

The Clerk called the bill (H. R. 4534) to amend the act establishing a Commission of Fine Arts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act establishing a Commission of Fine Arts," approved May 17, 1910 (40 U.S. C., secs. 104-106), is amended to read as follows:

"Sec. 2. There are hereby authorized to be appropriated each year such sums as may be necessary to enable the Commission of Fine Arts to carry out its functions under this act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 5 OF THE FLOOD CONTROL ACT

The Clerk called the bill (H. R. 3878) to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood control work.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the Flood Control Act of August 18, 1941, as amended by section 210 of the Flood Control Act of 1950, is hereby further amended to read as follows: "That there is hereby authorized an emergency fund in the amount of \$15,000,000 to be expended in flood emergency preparation; in flood fighting and rescue operations, or in the repair or restora-

tion of any flood-control work threatened or destroyed by flood, including the strengthening, raising, extending, or other modification thereof as may be necessary in the discretion of the Chief of Engineers for the adequate functioning of the work for flood control. The appropriation of such moneys for the initial establishment of this fund and for its replenishment on an annual basis, is hereby authorized: *Provided*, That pending the appropriation of said sum, the Secretary of the Army may allot, from existing flood-control appropriations, such sums as may be necessary for the immediate prosecution of the work herein authorized, such appropriations to be reimbursed from the appropriation herein authorized when made. The Chief of Engineers is authorized in the prosecution of work in connection with rescue operations, or in conducting other flood emergency work, to acquire on a rental basis such motor vehicles, including passenger cars and buses, as in his discretion are deemed necessary."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALASKA WATER RESOURCES

The Clerk called the bill (H. R. 3990) to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SUBVERSIVE ACTIVITIES CONTROL ACT OF 1950

The Clerk called the bill (H. R. 4753) to amend subsection (e) (1) of section 13A of the Subversive Activities Control Act of 1950 to change from 2 years to 3 years the standard contained therein with respect to the past affiliations of individuals conducting the management of certain organizations.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (1) of subsection (e) of section 13A of the Subversive Activities Control Act of 1950 is amended by striking out "two years" and inserting "three years" in lieu thereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PURCHASE OF BONDS COVERING POSTAL EMPLOYEES

The Clerk called the bill (H. R. 4778) to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department, contractors with the Post Office Department, mail clerks of the Armed Forces, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That whenever the Postmaster General determines it to be to

the best interests of the Government he may, under such regulations as he may prescribe, purchase, out of appropriations or other funds available to the Post Office Department, such blanket position, position schedule, or other type of surety bonds as he may deem appropriate to cover any or all categories of postmasters, officers, and employees of the Post Office Department, contractors with the Post Office Department, and mail clerks in the armed services and the Coast Guard, required by law or administrative determination to be bonded. The bonds may cover periods not in excess of 4 years, and shall contain such conditions and be in such penalty as the Postmaster General may deem necessary to protect the interests of the Government. Nothing in this act shall relieve such postmasters, officers, employees, contractors, and mail clerks and their sureties from any liability otherwise imposed by law.

With the following committee amendments:

No. 1. Page 1, line 9, strike out "categories of."

No. 2. Page 2, lines 1 and 2, strike out "contractors with the Post Office Department".

No. 3. Page 2, line 4, after "The" insert "premiums on any such."

No. 4. Page 2, line 5, after "four years, and" insert "the bonds."

No. 5. Page 2, line 9, strike out "contractors."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes."

A motion to reconsider was laid on the table.

NORTH ATLANTIC TREATY ORGANIZATION PARLIAMENTARY CONFERENCE

The Clerk called the concurrent resolution (H. Con. Res. 109) authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference.

The SPEAKER. Is there objection to the present consideration of the concurrent resolution?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if someone could give us an explanation of the purpose of this resolution.

Mr. RICHARDS. This resolution provides for the participation of the Congress of the United States in a NATO meeting in Europe. Ten or 12 NATO countries have already signified their intention of sending representatives there. We have an invitation from the Scandinavian countries and also, the United States has been urged by the other NATO countries, particularly Canada, to participate in this conference. The Executive department is anxious that the Congress of the United States get its viewpoint across in this conference. The resolution provides that 14 Members, 7 from the House and 7 from the other body be sent as delegates in July to the conference to be held this year in France.

Mr. GROSS. The gentleman from South Carolina understands that we already have the Interparliamentary Union.

Mr. RICHARDS. We do not have any representation in the NATO conference at all. The Interparliamentary Union is an entirely different thing. This resolution was passed out of committee unanimously. I hope the gentleman will not object.

Mr. GROSS. What is the purpose of this organization in addition to spending the taxpayers' money, let me ask?

Mr. RICHARDS. The purpose of the organization is to create better understanding and to draw closer together the parliamentary bodies of the NATO countries. As the gentleman knows, we have an alliance which may easily lead us to war. It is being handled by the diplomats of the several countries. We have guaranteed in case those nations are attacked, we will help defend them. It would, therefore, be wise for our parliamentary bodies to keep in close touch.

Mr. GROSS. How many of these countries are not represented in the Interparliamentary Union?

Mr. RICHARDS. I do not know about that. I just know that this organization is made up of the North Atlantic Treaty Alliance countries. I believe we would be making a mistake if the Congress did not exert its influence and its viewpoint on that gathering.

Mr. GROSS. Of course, that is what they have been saying about the Interparliamentary Union for a good many years. I am one of those who is completely unconvinced that the Interparliamentary Union has contributed a single thing toward our international relations. I think it is a first-class junketing organization and I am afraid that is what this organization is going to be. Until I can get some further information concerning this organization, I do not intend to permit this resolution to go through the House.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. JUDD. Does not the gentleman feel it is very important that in our discussions with our European allies regarding the common problems that affect us in the NATO organization, Representatives of this Congress, who are closest to the American people, should be present in order to express to our allies the viewpoints we hear expressed almost daily here in the Congress?

Often time we hear the criticism that our delegations to international conferences speak only for the executive department and not for the American people and the Congress. Do you not think it would be better for our country to have these Members of Congress abroad to help our allies know what the American people think?

Mr. GROSS. You already have the Interparliamentary Union that takes a trip once a year to some European country. I suspect that all countries that are here represented will be represented in the Interparliamentary Union. Why this duplication and this additional expense?

Mr. JUDD. The Interparliamentary Union covers the whole planet. It involves general discussion of the problems that legislative bodies face. This conference will discuss and deal with the specific commitments, obligations, responsibilities, and duties of the NATO organization of which the United States is a member.

Mr. GROSS. Mr. Speaker, I have no desire to take further time in connection with this bill. I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

TRANSFER OF PORTION OF CAMP MABRY MILITIA RIFLE RANGE

The Clerk called the bill (H. R. 489) authorizing the transfer of a portion of the Camp Mabry Militia Rifle Range tract in the city of Austin, Tex., comprising 189.11 acres, to the State of Texas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is hereby authorized and directed to convey to the State of Texas 189.11 acres (together with all improvements thereon) out of the original 200 acres known as the Camp Mabry Militia Rifle Range tract in the city of Austin, Travis County, Tex., also referred to as the "Old Deison Farm," which 189.11 acres is more particularly described as follows:

Beginning at the southwest corner of the 53-acre tract heretofore conveyed to J. J. Gasser by deed dated February 23, 1895, recorded in volume 129, page 347, of deed records of Travis County, Tex., said corner also being the southwest corner of the 38.55-acre State tract numbered 2 surveyed March 30, 1934, by M. V. Homeyer, county surveyor;

Thence north 60 degrees west, with the original line dividing the Townes and Mabin tracts 1,113 varas to a stone corner on the east line of the W. C. Phillips timber tract;

Thence with the east line of said W. C. Phillips tract north 36½ degrees east, 1,139½ varas to a stone corner on the south line of the Charles Thiele tract, from which an elm 20 inches in diameter marked "X," bears south 32 degrees west 10 varas and a small live oak marked "X" bears south 62 degrees east 10 varas;

Thence south 60 degrees east 613 varas to an angle in the stone fence dividing the Deison and Thiele tracts;

Thence with said fence on the dividing line between the Deison and Thiele tracts and also the Deison and Reid tracts, south 168 varas to a point;

Thence south 57 degrees east 160 varas to a point;

Thence southeast 108 varas to a point;

Thence south 9 degrees west 100 varas to a point;

Thence south 10 degrees east 100 varas to a point;

Thence south 5 degrees west 86 varas to a point;

Thence south 3 degrees east 77 varas to the southwest corner of the Elanor Reid tract on the north line of the Gasser 53-acre tract;

Thence north 60 degrees west with the north line of the Gasser tract, 147 varas to the northwest corner of same;

Thence south 30 degrees west with the west line of said Gasser tract, 640½ varas to the place of beginning;

Containing in all 200 acres of land, less and excepting from this 200-acre tract above

described, a tract of land containing 10.89 acres, more or less, described by metes and bounds as follows:

Beginning at the northwesterly corner of the 200-acre Deison tract;

Thence south 60 degrees east along the northerly boundary line of the Deison tract 466.2 varas for corner;

Thence south 30 degrees west 129.6 varas for corner;

Thence north 60 degrees west 478.8 varas to the northwesterly boundary line of the Deison tract for corner;

Thence along said boundary line north 36½ degrees east 130.68 varas to the place of beginning, containing 10.89 acres more or less, to be retained by the United States;

The land to be transferred to the State of Texas containing in all 189.11 acres more or less together with all improvements thereon, said land being the remaining portion of the original 200-acre tract conveyed by deed from Eliza C. J. Deison, et al., to the United States of America, dated June 28, 1909, as same appears of record in volume 239, pages 82 to 84, inclusive, of the deed records of Travis County, Tex., after deducting therefrom the 10.89 acres more or less, to be retained by the United States.

SEC. 2. (a) The Secretary of the Army shall execute and deliver in the name of the United States of America and in its behalf any and all contracts, conveyances, or other instruments as may be necessary to effectuate the conveyance of such 189.11 acres: *Provided*, That there shall be reserved to the United States of America all minerals including oil and gas in the lands herein authorized to be conveyed.

(b) There shall be further reserved to the United States of America in the conveyance of the above-described lands, rights of ingress and egress over roads in the above-described lands serving buildings or other works operated by the United States or its successors or assigns in connection with the 10.89 acres above described located immediately adjacent to and northwest of the property herein authorized to be conveyed. There shall be further reserved in said lands all rights-of-way for water lines, sewer lines, telephone and telegraph lines, power lines, and such other utilities as now exist, or may become necessary to the operation of said 10.89 acres retained by the United States and excluded from the transfer.

(c) Such conveyance shall contain a provision that such 189.11 acres shall be used primarily for training the National Guard and Air National Guard and for other military purposes, and that if the State of Texas shall cease to use the property so conveyed for the primary purposes intended, then title thereto shall immediately revert to the United States and, in addition, all improvements made by the State of Texas during its occupancy shall vest in the United States without payment of compensation therefor.

(d) Such conveyance shall contain the further provision that whenever the Congress of the United States shall declare a state of war or other national emergency, or the President declares a state of emergency to exist, and upon the determination by the Secretary of Defense that the property so conveyed is useful or necessary for military, air, or naval purposes, or in the interest of national defense, the United States shall have the right, without obligation to make payment of any kind, to reenter upon the property and use the same or any part thereof, including any and all improvements made by the State of Texas for the duration of such state of war or other national emergency and upon the cessation thereof plus 6 months said property is to revert to the State of Texas together with any or all facilities and improvements, appurtenances, and utilities thereon or appertaining thereto. Such conveyance shall provide that same is

subject to any valid easements which may exist against the said property.

With the following committee amendments:

Page 1, line 8, strike out "189.11" and insert "200."

Page 4, line 12, strike out "shall be" and insert "are hereby."

Page 4, line 16, strike out "shall be" and insert "are hereby."

Page 4, line 23, strike out "shall be" and insert "are hereby."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent that the bill S. 14 be substituted in lieu of H. R. 489.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized and directed to convey by quitclaim deed, without consideration, to the State of Texas all right, title, and interest of the United States, in and to the following-described land in Austin, Travis County, Tex., together with all buildings, improvements thereon, and all appurtenances and utilities belonging or appertaining thereto, such land including approximately one hundred eighty-nine and eleven one-hundredths acres out of the original two hundred acres known as the Camp Mabry Militia Rifle Range Tract, also referred to as the "old Deison Farm":

Beginning at the southwest corner of the fifty-three-acre tract heretofore conveyed to J. J. Gasser by deed dated February 23, 1895, recorded in volume 129, page 347, of deed records of Travis County, Tex., said corner also being the southwest corner of the thirty-eight-and-fifty-five-one-hundredths-acre State tract numbered 2 surveyed March 30, 1934, by M. V. Homeyer, county surveyor;

Thence north sixty degrees west, with the original line dividing the Townes and Mabin tract one thousand one hundred and thirteen varas to a stone corner on the east line of the W. C. Phillips timber tract;

Thence with the east line of said W. C. Phillips tract, north thirty-six and one-half degrees east one thousand eight and eighty-two one-hundredths varas to a point; said point being south thirty-six and one-half degrees west one hundred thirty and sixty-eight one-hundredths varas from a stone corner on the south line of the Charles Thiele tract;

Thence south sixty degrees east along the south lines of the United States Air Force Reserve training center parcel comprising five and eighty-nine one-hundredths acres, and the United States Army Reserve, formerly the Organized Reserve Corps, armory parcel comprising five acres, four hundred seventy-eight and eight-tenths varas to a point, the southeast corner of the said Organized Reserve Corps armory parcel;

Thence north thirty degrees east with and along the east line of the five-acre Organized Reserve Corps armory parcel, one hundred twenty-nine and five-tenths varas to a point on the southerly line of the Charles Thiele tract;

Thence south sixty degrees east one hundred forty-six and eight-tenths varas to an angle in the stone fence dividing the Deison and Thiele tracts;

Thence with said fence on the dividing line between the Deison and Thiele tracts and also the Deison and Reid tracts, south one hundred and sixty-eight varas to a point;

Then south fifty-seven degrees east one hundred and sixty varas to a point;

Thence southeast one hundred and eight varas to a point;

Thence south nine degrees west one hundred varas to a point;

Thence south ten degrees east one hundred varas to a point;

Thence south five degrees west eighty-six varas to a point;

Thence south three degrees east seventy-seven varas to the southwest corner of the Elanor Reid tract on the north line of the Gasser fifty-threec-acre tract;

Thence north sixty degrees west with the north line of the Gasser tract, one hundred and forty-seven varas to the northwest corner of same;

Thence south thirty degrees west with the west line of said Gasser tract, six hundred forty-four and one-half varas to the place of beginning;

Containing in all one hundred eighty-nine and eleven one-hundredths acres of land more or less together with all improvements thereon, said land being the remaining portion of the original two-hundred-acre tract conveyed by deed from Eliza C. J. Deison, et al., to the United States of America, dated June 28, 1909, as same appears of record in volume 239, pages 82-84, inclusive of the deed records of Travis County, Tex., after deducting therefrom the five and eighty-nine one-hundredths-acre United States Air Force parcel and the five-acre Organized Reserve Corps armory parcel above described, a total of ten and eighty-nine one-hundredths acres to be retained by the United States.

SEC. 2. All mineral rights, including gas and oil, in the lands authorized to be conveyed by this act shall be reserved to the United States.

SEC. 3. There shall be further reserved to the United States in the conveyance of the above-described lands, rights of ingress and egress over roads in the above-described lands serving buildings or other works operated by the United States or its successors or assigns in connection with the ten and eighty-nine one-hundredths acres referred to in section 1 of this act as the United States Air Force Reserve training center parcel and the United States Army Reserve, formerly the Organized Reserve Corps armory parcel, rights-of-way for water lines, sewer lines, telephone and telegraph lines, powerlines, and such other utilities as now exist, or which may become necessary to the operation of the above-described ten and eighty-nine one-hundredths acres.

SEC. 4. The conveyance of the property authorized by this act shall be upon condition that such property shall be used for training of the National Guard and the Air National Guard and for other military purposes, and that if the State of Texas shall cease to use the property so conveyed for the purposes intended, then title thereto shall immediately revert to the United States, and in addition, all improvements made during its occupancy by the State of Texas shall vest in the United States without payment of compensation therefor.

SEC. 5. The conveyance of the property authorized by this act shall be upon the further provision that whenever the Congress of the United States declares a state of war or other national emergency, or the President declares a state of emergency, and upon the determination by the Secretary of Defense that the property conveyed under this act is useful or necessary for military, air, or naval purposes, or in the interest of national defense, the United States shall have the right, without obligation to make payment of any kind, to reenter upon the property and use the same or any part thereof, including any and all improvements made thereon during its occupancy by the State of Texas, for the duration of such state of war or of such emergency. Upon the termination of such state

July 12, 1955

for each of the critical target areas during time of danger. The committee report states: "The Committee has not approved the budget estimate of \$3,050,000 for financing delegations of authority made by the Federal Civil Defense Administration to six different departments and agencies. Similar amounts were denied previously in the regular budget submissions of some of the agencies represented...the Committee can see no sufficient difference from the normal programs and responsibilities of the agencies concerned to warrant extra appropriations. Each agency already has primary responsibility in the fields of delegated authority and civil defense features can be integrated into regular operations just as is the case in the Department of Agriculture where no additional funds are requested, and as many of the same agencies are already doing with defense mobilization activities."

GSA expenses in connection with the buildings lease-purchase program, \$15,000,000.

Moving and space costs of GSA in connection with relocation of warehouse management and other employees into office space in the regional warehouses where they will occupy less costly space and be more closely situated to operations, \$300,000.

Authority for the "strategic and critical materials" appropriation to be used for costs in connection with strategic materials purchased with foreign currencies under the Agricultural Trade Development and Assistance Act of 1954.

Prohibition against use of any money for construction of transmission facilities to connect with the Dixon-Yates generating plant.

Claims, audited claims, and judgments against the U. S., various amounts.

The committee report states that "the Committee considered language proposed...for establishment of a working capital fund" for the Forest Service "but disapproves the proposal at this time, pending a further study."

The report includes the following statement: "During hearings on the Independent Offices Appropriation Act for 1956 the need for a Government-wide air conditioning program was thoroughly developed and at that time it was suggested to the General Services Administration that they work out a comprehensive plan for air conditioning those Federal buildings throughout the United States that require it, and that the matter be carefully prepared and presented through the Bureau of the Budget next year so consideration can be given by the Committee for a program to be started during fiscal year 1957. The Committee doubts the advisability of accomplishing air conditioning of buildings on a piece-meal basis for the reason that it is more satisfactory and less costly over a period of years to follow an orderly program."

Considered the conference report on H. R. 6766, the public works appropriation bill, which contains funds for the Atomic Energy Commission, Tennessee Valley Authority, certain agencies of the Interior Department, and civil functions of the Army; but deferred a vote on the conference report until Wed., July 13 (pp. 8858-67).

4. FOREIGN TRADE; SURPLUS COMMODITIES. Both Houses received the second progress report on activities carried on under Public Law 480, 83rd Congress (H. Doc. 216) (pp. 8827, 8857-8).

5. FARM CREDIT. Passed as reported H. R. 5168, providing for retirement of the Government capital in certain institutions operating under the supervision of the Farm Credit Administration, increasing borrower participation in the management and control of the Farm Credit system, etc. (pp. 8868-77).

6. PERSONNEL. The Post Office and Civil Service Committee reported with amendment the following bills: S. 1041, providing for the inclusion in computation of retirement certain State service rendered (H. Rept. 1127); S. 1792, to amend the Federal Employees' Group Life Insurance Act, 1954 (H. Rept. 1128); H. R. 6590, to prohibit employment by the Federal Government of persons disloyal to the United States or who believe in the right to strike against the United States (H. Rept. 1152) (p. 8906).
7. FOOD AND DRUG. Rep. Sullivan urged consideration of her proposal to increase appropriations for the Food and Drug Administration in order to increase its efficiency and effectiveness (pp. 8877-9).
8. RECLAMATION. Rep. Thomson, Wyo., defended the reclamation program as being relatively economical and contributive to the agricultural wellbeing of the Nation (pp. 8867-8).
9. FOREIGN AID. Several Representatives discussed American Foreign policy. Rep. Knutson urged consideration of an international agricultural products reserve plan (pp. 8880-8901).
10. PENALTY MAIL. The Post Office and Civil Service Committee reported without amendment H. R. 5856, to repeal the requirement for heads of departments and agencies to report to the Postmaster General the number of penalty envelopes and wrappers on hand at the close of each fiscal year (H. Rept. 1129) (p. 8906).
11. INCOME TAX. The Ways and Means Committee ordered reported H. R. 4731, to amend the Internal Revenue Code concerning capital gains and losses on sale of land with unharvested crop (p. D696).
12. LEGISLATIVE PROGRAM. The "Daily Digest" states that on Wed., July 13, "the House will vote on the adoption of the conference report on H. R. 6766, the public works appropriation bill..." (p. D693).

SENATE

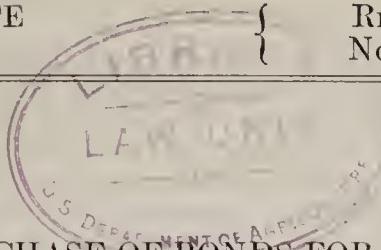
13. BONDING EMPLOYEES. The Post Office and Civil Service Committee reported with amendment H. R. 4778, to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces (S. Rept. 827) (p. 8828). The "Daily Digest" states that the amendment would cover all Federal employees (p. D692).
14. IMMIGRATION. Sen. Kennedy inserted four newspaper editorials discussing the resolution he introduced to establish a bipartisan commission to review the immigration and naturalization policies. (pp. 8835-6).
15. FOREIGN AID. Sen. Carlson commended individuals and organizations that raise money for foreign aid, and discussed the amount of surplus commodities purchased by the Church World Services (p. 8832).
16. LANDS. The Interior and Insular Affairs Committee ordered reported H. R. 4894, which would repeal certain obsolete laws relating to disposals of land under the timber and stone laws, and H. R. 605, which would abolish the 80-rod reservation of public ownership between public land claims located on shore waters in Alaska (p. D691).

Calendar No. 834

84TH CONGRESS
1st Session {

SENATE

REPORT
No. 827



PROVIDING FOR THE PURCHASE OF BONDS FOR EMPLOYEES

JULY 12 (legislative day, JULY 11), 1955.—Ordered to printed

Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, submitted the following

R E P O R T

[To accompany H. R. 4778]

The Committee on Post Office and Civil Service to whom was referred the bill (H. R. 4778) to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill, as amended, do pass.

AMENDMENT

The committee amendment strikes out all of the House bill after the enacting clause and inserts in lieu thereof a substitute text which appears in the reported bill in italic type. An explanation of the provisions of the committee amendment is contained in the section-by-section analysis of the bill, as reported.

PURPOSE

The purpose of this legislation, as amended, is to provide for the purchase of bonds to cover officers and employees of the Government.

The House bill would authorize the Postmaster General to purchase bonds for officers and employees in the postal establishment when he determines it to be in the interest of the Government. The amendment made by the committee extends the purpose of the bill to include all officers and employees of the Government. The amendment is mandatory in its effect upon the executive branch and is permissive with respect to the legislative and judicial branches.

BACKGROUND

Similar legislation, both limited in application to the Post Office Department, and of general application, has been under consideration for many years. The Internal Revenue Code of 1954, Public Law 591, approved August 16, 1954, contains in section 7803 (c) authority for the Internal Revenue Service to purchase bonds covering its employees.

The bill, as amended, is in line with the modern trend with respect to bonding, as reflected by the fact that private organizations, and State and local governments, almost universally absorb the cost of bonds for their officers and employees. Proposals similar to the provisions of the bill, as recommended by the committee, have been recommended by the Bureau of the Budget, the Civil Service Commission, the General Services Administration, and the General Accounting Office.

SECTION-BY-SECTION ANALYSIS .

Section 1 directs the heads of departments and independent establishments (including the government of the District of Columbia), and authorizes appropriate officials of the legislative and judicial branches of the Government, to obtain blanket, position schedule, or other types of surety bonds, covering civilian officers and employees and military personnel thereof, required by law or administrative ruling to be bonded. Premiums for such bonds may cover a period not exceeding 2 years and are to be paid by the Government from any funds of the agency generally available for administrative expenses at the time the premiums become due. The heads of departments and independent establishments may procure bonds if the premium of a bond does not exceed the equivalent of \$250 a year. To determine the yearly equivalent the total premium will be divided by the number of years that the bond is to cover. If a bond premium would exceed an equivalent of \$250 a year, in the opinion of the head of a department or independent establishment, procurement in such cases is to be made through the Administrator of General Services. In such instances he is required to advertise for bids and to procure the bonds from the lowest responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Government, price and other factors being considered.

Section 14 of title 6 of the United States Code, which first became law in 1909, prohibits the United States from paying any part of the premium or other cost of furnishing bonds of Government officers or employees. Thus, except for Government corporations and a few other agencies, officers and employees are presently required to furnish surety bonds at their own expense. A separate bond for each is now required to be filed and maintained by the Government. Under the proposed legislation the number of bonds would be greatly reduced, thereby reducing the costs of bonding companies and the cost of the Government in maintaining the bonds. The employees would benefit in that they no longer would have to pay the premiums. The cost of the premiums should be borne by the Government since it receives the benefits of financial protection and of the resulting deterrent effect.

Section 2 amends the analysis of title 6 of the United States Code to conform the title of section 14 thereof, to that provided by section 1.

Section 3 provides that the legislation become effective 60 days following its enactment, thus affording sufficient time for necessary administrative arrangements to be made.

The title of the bill is changed to be consistent with the purpose of the bill as amended.

COST

Testimony was presented at the hearings by the Post Office Department and other agencies to the effect that the cost of paying the bond premiums would be offset by economies in administration. The Post Office Department stated that the present administrative cost incident to seeing that all employees are bonded, that premiums are paid, and that bonds do not lapse, approximates \$300,000 per annum. The Department estimates that blanket bonds can be obtained for somewhat less than this amount, thus the result being no additional cost and perhaps an actual saving.

AGENCY VIEWS

Following are agency views submitted with respect to a related bill (S. 311):

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., May 13, 1955.

Hon. OLIN D. JOHNSTON,

*Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.*

DEAR SENATOR JOHNSTON: This is in reply to your letter of February 25, 1955, requesting the Civil Service Commission's views on S. 311 to provide for the purchase of bonds to cover officers and employees of the Government.

The Commission endorses the objectives of S. 311 and favors its enactment insofar as it affects civilian employees in the executive branch.

The bill would amend the United States Code to provide that the heads of executive establishments shall, and officials in the legislative and judicial branches may, obtain surety bonds with Government funds for their civilian and military personnel required by law or regulations to be bonded. Our comments concern only the application of the bill to Federal civilian employees in the executive branch.

At present, the United States Government generally may not pay, out of appropriated funds, any part of the cost of furnishing a bond required by law or otherwise of any officer or employee of the Government. One exception was made to this general rule by section 7803 of Public Law 591, 83d Congress, the Internal Revenue Code of 1954. This section gives the Secretary of the Treasury the option of having either the Treasury Department or the employees themselves pay for required surety bonds covering employees in the Internal Revenue Service. It is not clear whether it is intended that S. 311, if enacted in its present form, would operate to change the optional feature of this existing authority for Government purchase of employee bonds. We suggest that the intent of Congress in this respect be clarified.

We favor enactment of S. 311 for two reasons: (a) Surety bonding of employees is primarily for the protection of the Government and (b) Government purchase of employee surety bonds would accord with general practice in private industry. We know of no reason why the practice of Government should differ from the practices of other employers in this respect.

The Civil Service Commission is not in a position to discuss the merits of the system proposed in S. 311 for Government purchase of employee surety bonds from commercial bonding companies. We believe that the relative economy and effectiveness of this system as compared with that of alternative systems is a question on which comment should be made by the fiscal agencies of the Government.

We are advised that the Bureau of the Budget has no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

PHILIP YOUNG, Chairman.

EXECUTIVE OFFICE OF THE PRESIDENT,
 BUREAU OF THE BUDGET,
Washington, D. C., March 3, 1955.

Hon. OLIN D. JOHNSTON,
*Chairman, Committee on Post Office and Civil Service,
 United States Senate, Washington, D. C.*

MY DEAR MR. CHAIRMAN: This is in reply to your request of February 25, 1955, for the views of the Bureau of the Budget on S. 311 to provide for the purchase of bonds to cover officers and employees of the Government.

The purpose of this proposal is to require the heads of departments and establishments to purchase position schedule, blanket, or other types of surety bonds covering employees required to be bonded. The premiums on such bonds would be paid from appropriated funds. At the present time, such employees are required to purchase individual surety bonds from their own funds.

This bill, similar to provisions contained in Public Law 591, August 16, 1954, applicable to the Internal Revenue Service, is in line with the modern trend with respect to bonding, as reflected by the fact that private organizations, and State and local governments, almost universally absorb the cost of bonds for their officers and employees. The enactment of S. 311 would be favored by this Bureau.

Should the committee wish to look into an alternative approach to the one embodied in this bill, we would suggest consideration of an arrangement under which the Government would itself carry the risk of loss by fraud or mistake.

Sincerely yours,

ROWLAND HUGHES, Director.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, April 18, 1955.

Hon. OLIN D. JOHNSTON,
*Chairman, Committee on Post Office and Civil Service,
 United States Senate.*

DEAR MR. CHAIRMAN: Reference is made to your request of February 25, 1955, acknowledged by telephone March 1, for our views and comments on S. 311, 84th Congress, entitled "A bill to provide for the purchase of bonds to cover officers and employees of the Government."

Proposals embodying the same or similar provisions for purchase by the Government of bonds on a blanket basis have been under consideration by the last several Congresses. In reporting on their various provisions, we have favored the adoption of blanket or position schedule plans of bonding in order to obtain the benefits of flexibility inherent in package coverage and to realize savings that may be expected to result, to employees and the Government, from elimination of individual bonds and their processing costs by both sureties and the Government. We assisted in developing the language now contained in S. 311.

Your committee may wish to consider two amendments designed to clarify the language. First, it is suggested the word "lowest" in line 23, page 2, be eliminated since its inclusion is inconsistent with the provisions of the section which authorize consideration of not only price but also "other factors." Secondly, in order to clarify the liability of old and new sureties during any changeover periods occurring under the legislation, we suggest adding a new sentence to section 1 of the bill as follows: "Whenever any officer or employee is bonded pursuant to the provisions of this section, his surety or sureties on any existing bond shall not be liable for any defaults taking place subsequent to the date of his new coverage."

We strongly recommend enactment of S. 311 with the amendments suggested above. If any further information or assistance is desired, please let us know.

As requested, five copies of this report are transmitted.

Sincerely yours,

*JOSEPH CAMPBELL,
 Comptroller General of the United States.*

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as amended by the committee and reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets and new matter is printed in italics):

SECTION 14 OF TITLE 6 OF THE UNITED STATES CODE

【14. Rate of premium on bond; premiums not to be paid by United States. Until otherwise provided by law no bond shall be accepted from any surety or bonding company for any officer or employee of the United States which shall cost more than 35 per centum in excess of the rate of premium charged for a like bond during the calendar year 1908. The United States shall not pay any part of the premium or other cost of furnishing a bond required by law or otherwise of any officer or employee of the United States.】

"14. Purchase of bonds to cover officers and employees of the Government.

"The heads of the departments and independent establishments of the Government (including the Government of the District of Columbia) shall, and the appropriate officials of the legislative and judicial branches of the Government may, obtain blanket, position schedule, or other type of surety bonds covering civilian officers and employees, and military personnel thereof, required by law or administrative ruling to be bonded. Each bond shall be of the most economical type available for the number and type of personnel required to be bonded. The bond premium may cover a period not exceeding two years, and shall be paid from any funds available for the payment of administrative expenses at the time such premium becomes payable. If, in the opinion of the head of the department, or independent establishment concerned, the premium cost for any bond procured under this section covering officers or employees in the executive branch of the Government will exceed a rate of \$250 per annum, procurement shall be made through the Administrator of General Services when so required by him pursuant to section 302 of the Federal Property and Administrative Services Act of 1949, as amended (41 U. S. C. 252)."

ANALYSIS OF TITLE VI OF THE UNITED STATES CODE

* * * * *

【14. Rate of premium on bond; premiums not to be paid by United States.】

14. Purchase of bonds to cover officers and employees of the Government.





Calendar No. 834

84TH CONGRESS
1ST SESSION

H. R. 4778

[Report No. 827]

IN THE SENATE OF THE UNITED STATES

MAY 19 (legislative day, MAY 2), 1955

Read twice and referred to the Committee on Post Office and Civil Service

JULY 12 (legislative day, JULY 11), 1955

Reported by Mr. JOHNSTON of South Carolina, with amendments

[Strike out all after the enacting clause and insert the part printed in italic]

AN ACT

To provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 *That whenever the Postmaster General determines it to be*
4 *to the best interests of the Government he may, under such*
5 *regulations as he may prescribe, purchase, out of appropria-*
6 *tions or other funds available to the Post Office Department,*
7 *such blanket position, position schedule, or other type of*
8 *surety bonds as he may deem appropriate to cover any or*
9 *all postmasters, officers, and employees of the Post Office*
10 *Department, and mail clerks in the armed services and the*

1 Coast Guard, required by law or administrative determina-
2 tion to be bonded. The premiums on any such bonds may
3 cover periods not in excess of four years, and the bonds
4 shall contain such conditions and be in such penalty as the
5 Postmaster General may deem necessary to protect the
6 interests of the Government. Nothing in this Act shall
7 relieve such postmasters, officers, employees, and mail clerks
8 and their sureties from any liability otherwise imposed by
9 law.

10 That section 14 of title 6 of the United States Code is
11 amended to read as follows:

12 "§ 14. Purchase of bonds to cover officers and employees of
13 the Government

14 "The heads of the departments and independent estab-
15 lishments of the Government (including the government of
16 the District of Columbia) shall, and the appropriate officials
17 of the legislative and judicial branches of the Government
18 may, obtain blanket, position schedule, or other type of surety
19 bonds covering civilian officers and employees, and military
20 personnel thereof, required by law or administrative ruling
21 to be bonded. Each bond shall be of the most economical
22 type available for the number and type of personnel required
23 to be bonded. The bond premium may cover a period not
24 exceeding two years, and shall be paid from any funds avail-
25 able for the payment of administrative expenses at the time

1 such premium becomes payable. If, in the opinion of the
2 head of the department, or independent establishment con-
3 cerned, the premium cost for any bond procured under this
4 section covering officers or employees in the executive branch
5 of the Government will exceed a rate of \$250 per annum,
6 procurement shall be made through the Administrator of
7 General Services when so required by him pursuant to sec-
8 tion 302 of the Federal Property and Administrative
9 Services Act of 1949, as amended (41 U. S. C. 252)."

10 SEC. 2. The analysis of title 6 of the United States Code,
11 immediately preceding section 1 of such title, is amended by
12 striking out the item

"14. Rate of premium on bond; premiums not to be paid by United
States."

13 and inserting in lieu thereof the following:

"14. Purchase of bonds to cover officers and employees of the
Government."

14 SEC. 3. This Act shall take effect sixty days following
15 the date of its enactment.

Amend the title so as to read: "An Act to provide for
the purchase of bonds to cover officers and employees of the
Government."

Passed the House of Representatives May 17, 1955.

Attest:

RALPH R. ROBERTS,

Clerk.

84TH CONGRESS H. R. 4778
1ST SESSION

[Report No. 827]

AN ACT

To provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes.

MAY 19 (legislative day, MAY 2), 1955

Read twice and referred to the Committee on Post Office and Civil Service

JULY 12 (legislative day, JULY 11), 1955

Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued ~~July~~ June 14, 1955
For actions of ~~July~~ June 13, 1955
84th-1st, No. 118

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HIGHLIGHTS. Senate agreed to conference report on travel expense allowance bill. Senate committee reported reserve forces bill. Both Houses agreed to conference report on public works appropriation bill. House agreed to Senate amendment on livestock loans bill.

SENATE

1. TRAVEL ALLOWANCE. Agreed to the conference report on H. R. 6295; the travel expense allowance bill, which generally increases maximum subsistence allowances from \$9 to \$12, and maximum mileage allowances from 4 and 6 cents to 7 and 10 cents (pp. 8924-5). This bill will now be sent to the President.
2. RESERVE FORCES. The Armed Services Committee reported with amendment H. R. 7000, to provide for strengthening of the Reserve Forces (S. Rept. 840) (p. 8916).
3. ELECTRIFICATION. Sen. Langer inserted a James Valley (Edgeley, N. Dak.) Electric Cooperative, Inc., resolution favoring the proposed Hells Canyon Dam, and opposing the Hoover Commission recommendations regarding REA (p. 8911).
4. WHEAT; PRICE SUPPORTS. Sen. Langer inserted resolutions of the McKenzie (N. Dak.) County Farmers Union favoring 90 percent of parity for basic commodities and a two-price plan for wheat (pp. 8911-2).
5. WATER RESOURCES. Conferees were appointed on H. R. 3990, to authorize the Interior Department to investigate and report to Congress on the water resources in Alaska (p. 8948). House conferees were appointed July 11.

6. BONDING EMPLOYEES. Passed as reported H. R. 4778, to provide for the purchase of bonds to cover officers and employees of the Government (p. 8951). The bill authorizes the heads of departments and agencies of the Government to purchase bonds for officers and employees out of appropriated funds.

7. NOMINATION. Received the nomination of Marion B. Folsom, of New York, to be Secretary of Health, Education, and Welfare (p. 8962).

8. LEGISLATIVE PROGRAM. Sen. Clements announced that the military reserve bill will be considered today and that it is hoped the defense production bill will be considered next Tuesday (p. 8954).

HOUSE

9. APPROPRIATIONS. Both Houses agreed to the conference report on H. R. 6766, the public works appropriation bill, which provides funds for the AEC, the TVA, certain functions of the Interior Department, and civil functions of the Army (pp. 8971-3, 8928-48). The House receded from its disagreement to provisions establishing a GS-17 position for the Budget and Finance Officer in the Interior Department and for the Program Chief in the Corps of Engineers; and receded from its disagreement to the amount of funds for the Lewis and Clark Irrigation District and the Buford-Trenton Irrigation District. This bill is now ready for the President.

Both Houses received a message from the President on his approval of H. R. 6042, the Defense Department appropriation bill, in which he states that he will disregard a provision in the bill prohibiting the Defense Secretary from liquidating functions performed by civilian agencies within the Department which could be done by private industry. The President also announced his dissatisfaction with a provision "virtually" precluding the "services from considering the purchase of foreign made spun silk yarn for cartridge cloth." (H. Doc. 218) (pp. 8953, 8996-7, 9005-6.)

10. ROADS. Agreed to the conference report on S. 1464, authorizing the Secretary of the Interior to acquire certain rights-of-way and timber access roads (p. 8973).

11. LOANS. Agreed to the Senate amendment to H. R. 4915, to extend the period for emergency assistance to farmers and stockmen (p. 9002). This bill will now be sent to the President.

12. COMMODITY EXCHANGES. Both Houses received a USDA draft of proposed legislation to amend the Commodity Exchange Act to require contract market to permit delivery of commodities, under futures contracts, at delivery points and locational price differentials to be determined by the Secretary of Agriculture; referred to the House Agriculture and the Senate Agriculture and Forestry Committees (pp. 8910, 9007).

FOREST
LANDS. Both Houses received a USDA draft of proposed legislation to authorize the interchange of forest lands between the Departments of Agriculture and Defense; referred to the House Agriculture and the Senate Agriculture and Forestry Committees (pp. 8910, 9007).

The Agriculture Committee reported without amendment the following bills: S. 72, to provide that certain lands acquired by the U. S. shall be administered by the Agriculture Secretary as national forest lands (H. Rept. 1169); H. R. 374, to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest (H. Rept. 1170); and with

her with, I am sure, hundreds of thousands of other parents for her fine devotion to her task, which did not permit her to be stamped into a maelstrom of emotionalism, but which kept before her mind and before the American people the fundamental duty which she assumed when she took her oath as Secretary. We all owe her thanks upon this occasion, and I am happy to pay my thanks and render my tribute to her.

Mr. THYE. Mr. President, it was with regret that I learned today that Mrs. Hobby has found it necessary, because of the ill health of her husband, to resign as Secretary of the Department of Health, Education, and Welfare.

Mrs. Hobby has rendered commendable service as Secretary of this vast and most important Department of our Government. There are many phases of its administrative responsibility such as the health, welfare, and education of our people and the regulatory responsibility of the Food and Drug Administration.

As a member of the Appropriations Committee who served on the subcommittee with the specific responsibility for the Health, Education, and Welfare Department's appropriation, I was impressed with her administrative understanding and knowledge of this Department.

It is regrettable that Mrs. Hobby must retire as Secretary of Health, Education, and Welfare. It will be a great loss. Mrs. Hobby, as the first Secretary of this Department, has organized it well and has laid an excellent foundation for others to build on. Her administrative ability has won her recognition throughout her long public career, first in the military service and then as first Secretary of the Department of Health, Education, and Welfare.

Mr. BENDER. Mr. President, I am very sorry Mrs. Hobby has resigned her position as Secretary of Health, Education, and Welfare.

The unfortunate political controversy which arose in connection with the Salk vaccine program has obscured the excellent work which Mrs. Hobby has done for the country. By reorganizing her Department, she contributed materially to the improvement of its efficiency and to the expansion of its work.

I hope she will remain actively interested in public service, and I know the Nation wishes her well.

I never knew a more conscientious public servant than Mrs. Hobby. I am a Republican, and she is a Democrat, but I say she has done excellent work. She has been criticized in connection with the Salk vaccine program for things for which she was not responsible. She did her work well and rendered valuable service.

On the floor of the Senate some Senators tried to attack her for the part she played in that matter, but she can stand up against any of them so far as her performance and fine quality of service are concerned.

SIMPLIFICATION OF PROCEDURES GOVERNING THE MAILING OF PUBLICATIONS OF CHURCHES AND CHURCH ORGANIZATIONS

The Senate resumed the consideration of the bill (H. R. 4585) to amend the

act of August 24, 1912, to simplify the procedures governing the mailings of certain publications of churches and church organizations.

The PRESIDING OFFICER. The bill is open to amendment. If there is no amendment to be offered, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

PURCHASE OF BONDS COVERING EMPLOYEES OF THE POST OFFICE DEPARTMENT

Mr. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 834, H. R. 4778.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4778) to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with an amendment, to strike out all after the enacting clause and insert:

That section 14 of title 6 of the United States Code is amended to read as follows:

"§ 14. Purchase of bonds to cover officers and employees of the Government

"The heads of the departments and independent establishments of the Government (including the government of the District of Columbia) shall, and the appropriate officials of the legislative and judicial branches of the Government may, obtain blanket, position schedule, or other type of surety bonds covering civilian officers and employees, and military personnel thereof, required by law or administrative ruling to be bonded. Each bond shall be of the most economical type available for the number and type of personnel required to be bonded. The bond premium may cover a period not exceeding 2 years, and shall be paid from any funds available for the payment of administrative expenses at the time such premium becomes payable. If, in the opinion of the head of the department, or independent establishment concerned, the premium cost for any bond procured under this section covering officers or employees in the executive branch of the Government will exceed a rate of \$250 per annum, procurement shall be made through the Administrator of General Services when so required by him pursuant to section 302 of the Federal Property and Administrative Services Act of 1949, as amended (41 U. S. C. 252)."

SEC. 2. The analysis of title 6 of the United States Code, immediately preceding section 1 of such title, is amended by striking out the item "14. Rate of premium on bond; premiums not to be paid by United States.", and inserting in lieu thereof the following:

"14. Purchase of bonds to cover officers and employees of the Government."

SEC. 3. This act shall take effect 60 days following the date of its enactment.

Mr. JOHNSTON of South Carolina. Mr. President, H. R. 4778, as amended, authorizes the heads of departments and agencies of the Government to purchase bonds for officers and employees out of appropriated funds.

At the hearings held by the committee in its consideration of this measure, it was testified that it would be cheaper for all concerned, and in the best interest of the Government, for bonds to be purchased on a blanket basis by the Government instead of individually for each employee. The Post Office Department representatives testified that administrative costs of keeping records of over 1 million individual bonds is in excess of what it would cost the department to purchase and pay for a blanket bond for all its employees.

Enactment of the pending bill is recommended by the Bureau of the Budget, the Civil Service Commission, and the Comptroller General, and the bill was reported unanimously by the committee. I ask that the bill be passed.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to provide for the purchase of bonds to cover officers and employees of the Government."

ADDITIONAL FUNDS FOR COMMITTEE ON FOREIGN RELATIONS—REFERENCE OF SENATE RESOLUTION 128

Mr. CLEMENTS. Mr. President, I move that Calendar No. 839, Senate Resolution 128, authorizing additional funds to the Committee on Foreign Relations, be referred to the Committee on Rules and Administration.

The motion was agreed to.

ORDER FOR ADJOURNMENT

Mr. CLEMENTS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR VICE PRESIDENT AND PRESIDENT PRO TEMPORE TO SIGN ENROLLED BILLS DURING ADJOURNMENT FOLLOWING TODAY'S SESSION

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Vice President and the President pro tempore be authorized, during the adjournment following today's session, to sign enrolled bill H. R. 6766, the public works appropriation bill for 1956, or any other duly enrolled bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMATHERS subsequently said: Mr. President, I ask unanimous consent that the order authorizing the signing of H. R. 6766, the Public Works appropriation bill, and other bills, be rescinded, and that the present Presiding Officer [Mr. BIBLE] be authorized to sign such bills as Acting President pro tempore.

THE PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

TRIBUTE TO METROPOLITAN POLICE FORCE OF WASHINGTON, D. C., DURING CAPITAL TRANSIT CO. STRIKE

MR. HICKENLOOPER. Mr. President, sometimes there is a tendency to criticize the Police Department of this or any other city. Perhaps sometimes the police departments deserve criticism, although I believe that many times they do not deserve the criticism they receive.

This afternoon, Mr. President, I wish to say to my colleagues and to the public in general that, in my opinion, the Washington Police Department as a whole has rendered unusually outstanding service in connection with the handling of traffic during the streetcar and bus strike.

I know that all of us use our automobiles morning and evening. Perhaps a great many of us get to our offices earlier than the rush-hour time. Certainly most of us do not leave until after the rush is over. But on the many occasions when we have been caught in the rush of traffic in the morning and evening during the difficult situation occasioned by the strike, we have found that the Washington police, at great sacrifice to themselves, by working overtime, on hot streets, and with an irritated public, have manifested outstanding courtesy and efficiency in handling traffic.

I merely wish to pay tribute to their zeal and devotion to public duty, and the administrative way in which the problem has been handled up to this point.

MR. JOHNSTON of South Carolina. Mr. President, I wish to join the Senator from Iowa in what he has said about the Police Department of the District of Columbia. I served on the Senate District of Columbia Committee for 8 years. I know how handicapped the police department is at the present time in regard to funds and the ability to employ the number of officers needed to maintain public order in the District of Columbia. The police have certainly rendered wonderful service. That is understood more particularly when we realize they have done so with the small force the department has at the present time.

CONSERVATION OF ANTHRACITE COAL RESERVES

MR. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 838, H. R. 7066.

The **PRESIDING OFFICER.** The bill will be stated by title.

THE LEGISLATIVE CLERK. A bill (H. R. 7066) to provide for the conservation of anthracite coal reserves through measures of flood control and anthracite mine damage, and for other purposes.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the bill.

MR. MURRAY. Mr. President, I rise to support the pending measure, H. R. 7066. The bill would authorize the Secretary of the Interior to provide not to exceed \$8½ million, on a 50-50 matching fund basis, to the Commonwealth of Pennsylvania, in support of a program to check and reduce the flooding of the Nation's principal reserve of anthracite coal.

Relevant data submitted to the Committee on Interior and Insular Affairs have demonstrated that the increasing burden of disposing of encroaching waters is adversely affecting the economy of the anthracite coal industry to an extent that endangers the national security of the Nation.

In 1944, it was necessary to pump 14 tons of water for every ton of anthracite coal produced. In 1954, that ratio had increased to 56 tons of water pumped for every 1 ton of coal mined.

As a result, mine after mine has closed and hundreds of miners have been thrown out of employment, with resultant distress area declarations by the appropriate governmental agencies.

The committee agrees with the declaration of the Department of the Interior, in the favorable report of that Department on the proposed legislation that "it seems prudent national policy to assist in preserving this basic natural resource of the Nation which is concentrated in this area."

I further call attention to the fact that the Bureau of the Budget has advised that it would have no objection to the enactment of the bill.

Mr. President, the appropriation which would be authorized by the bill is small, when compared with the value of the vast natural resources it will help to save. I urge its enactment.

The **PRESIDING OFFICER** (Mr. ALLOTT in the chair). The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 7066) was ordered to a third reading, read the third time, and passed.

AMENDMENT OF SERVICEMEN'S INDEMNITY ACT OF 1951

MR. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 835, House bill 1619.

The **PRESIDING OFFICER.** The bill will be read by title, for the information of the Senate.

THE LEGISLATIVE CLERK. A bill (H. R. 1619) to amend certain provisions of the Servicemen's Indemnity Act of 1951.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the bill.

MR. CLEMENTS. Mr. President, under section 5 of the Servicemen's Indemnity Act of 1951, any person in the active service having insurance on the 5-year level premium term plan, the term of which expires while the person is in the active service after April 25, 1951, may replace such insurance at any

time within the 120-day period after separation from service during which he is covered by indemnity protection. However, if the insurance expires after separation from service, even though within the 120-day period of indemnity coverage, it may not be replaced. Section 1 of this bill would amend section 5 of the Indemnity Act to correct what appears to have been an oversight in the basic law.

The bill as approved by the committee would assure that those cases in which the 5-year term period expired during the 120-day period after discharge and such period has now elapsed, would have 120 days within which to replace their term insurance, if application is made within 120 days after enactment of the bill.

THE PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 1619) was ordered to a third reading, read the third time, and passed.

DEFINITION OF "STEPCHILD" AND "STEPPARENT" RELATING TO SERVICEMEN'S INDEMNITY ACT OF 1951

MR. CLEMENTS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 836, House bill 6419.

The **PRESIDING OFFICER.** The bill will be read by title, for the information of the Senate.

THE LEGISLATIVE CLERK. A bill (H. R. 6419) to redefine the terms "stepchild" and "stepparent" for the purposes of the Servicemen's Indemnity Act of 1951, as amended.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the bill.

MR. CLEMENTS. Mr. President, the purpose of the bill is to redefine the terms "stepchild" and "stepparent" for the purposes of the Servicemen's Indemnity Act of 1951, as amended, which provides for the payment of a maximum amount of free indemnity of \$92.90 monthly for a period of 10 years to certain survivors.

The bill would require that the stepchild be a member of the insured's household, unless designated as beneficiary by the insured.

It would also require that a stepparent, unless designated as the beneficiary, show that he stood in loco parentis to the insured prior to the latter's attainment of 21 years of age and for a period of not less than 1 year prior to his entry into active service.

The **PRESIDING OFFICER.** The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 6419) was ordered to a third reading, read the third time, and passed.

without restriction where similar commodities are exported in raw or processed form;

S. 2260. An act granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Red River and its tributaries;

S. 2269. An act for the relief of Mualla S. Holloway;

S. 2270. An act for the relief of Nadia Noland and Samia Ouafa Noland;

S. 2277. An act authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such lands from the city;

S. 2295. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2296. An act to amend section 313 of the Agricultural Adjustment Act of 1938, with respect to tobacco allotments;

S. 2297. An act to further amend the Agricultural Adjustment Act of 1938, and for other purposes;

S. J. Res. 73. Joint resolution to establish a commission to formulate plans for a memorial to Franklin Delano Roosevelt; and

S. Con. Res. 44. Concurrent resolution to erect on the Capitol Grounds a memorial bell tower in memory of Robert A. Taft.

MUTUAL SECURITY APPROPRIATION ACT, 1956

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7224) making appropriations for mutual security for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, it is my understanding that the managers on the part of the House will do their very best to see that the amount put in the bill by the Senate will be stricken?

Mr. PASSMAN. I can assure the gentleman that will be the disposition of the House conferees.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. PASSMAN, GARY, ROONEY, CANNON, FERNANDEZ, LANHAM, NATCHEZ, DENTON, TABER, WIGGLESWORTH, FENTON, FORD, and HAND.

PURCHASE OF BONDS TO COVER POSTMASTERS, OFFICERS, AND EMPLOYEES OF THE POST OFFICE DEPARTMENT AND MAIL CLERKS OF THE ARMED FORCES

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4778) to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request to the gentleman from Tennessee? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MURRAY of Tennessee, MORRISON, and REES of Kansas.

ROBERT A. TAFT MEMORIAL

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. Con. Res. 44) to erect on the Capitol Grounds a memorial bell tower in memory of Robert A. Taft.

The SPEAKER. Is there objection to the request of the gentleman from Ohio.

There was no objection.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Robert A. Taft Memorial Foundation is authorized to erect on the Capitol Grounds, and present to the Congress of the United States, a memorial bell tower of appropriate design dedicated to the memory of Robert A. Taft. Such memorial shall be equipped with bells and shall be erected on the site described as square 633 on the drawing of the Architect of the Capitol. Such site is located just below the Fountain Plaza area, and lies between New Jersey Avenue on the east, Constitution Avenue on the south, C street on the north, Louisiana Avenue diagonally on the northwest, and First Street on the west.

SEC. 2. The design and plans for the erection of such memorial shall be subject to the approval of the Architect of the Capitol, with the advice of the Commission of Fine Arts, and such memorial shall be erected without expense to the United States.

SEC. 3. The authority granted by the first section of this act shall cease to exist unless (a) within 1 year after the passage of this concurrent resolution the plans for such memorial have been presented for the approval of the Architect of the Capitol, and within 3 years after such approval, the erection of such memorial has commenced, and (b) the Architect of the Capitol finds that, prior to the commencement of the erection of such memorial, sufficient funds are available to insure its completion.

SEC. 4. After the completion of the memorial according to the approved plans and specifications, it shall be accepted on behalf of the people of the United States by the Congress and thereafter shall be maintained by the Congress as part of the Capitol Grounds.

The resolution was agreed to; and a motion to reconsider was laid on the table.

ONE HUNDRED SEVENTY-FIFTH ANNIVERSARY OF THE ESTABLISHMENT OF THE CONSTITUTION OF THE COMMONWEALTH OF MASSACHUSETTS

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Con. Res. 193) commemorating the 175th anniversary of the establishment of the Constitution of the Commonwealth of Massachusetts.

The Clerk read the resolution, as follows:

Whereas the 175th anniversary of the establishment of the constitution of the Commonwealth of Massachusetts will occur on October 25, 1955; and

Whereas there are embodied in this constitution cultural, social, and legal principles

which form a major part of the proud heritage of the Commonwealth of Massachusetts; and

Whereas the people of the other States of the Union share with the people of Massachusetts the blessings of a society founded upon these principles; and

Whereas the importance in these troubled times of keeping alive in the Nation and in the world the tradition of courage, the love of freedom, and the consideration of one's fellow man, which are embodied in the historic document upon which representative government was founded in Massachusetts: Now, therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress extends its felicitations to the Commonwealth of Massachusetts on the 175th anniversary of the establishment of its constitution, and expresses the gratitude of the American people for the part played by the early statesmen of Massachusetts in building the foundations which have served the Commonwealth and the Republic so well.

Mr. McCORMACK. Mr. Speaker, 175 years ago this year the Constitution of the Commonwealth of Massachusetts was adopted. That great document became effective on October 25, 1780. On that day John Hancock officially became governor and the first general court—legislature—met in Boston.

Massachusetts is today the only State in the Union still governed under its original constitution which has endured chiefly because of its broad provisions and flexible character.

There have been constitutional conventions since 1780—more than 70 amendments have been made to the Massachusetts constitution—but the general plan of Government it established is still in operation.

Taken as a whole, it may be confidently said that the history of no other community is more striking than our own commonwealth.

The great lessons it teaches us are confidence in the integrity of the people and their capacity for self government; confidence in religious principle, which is the safeguard of liberty.

Our State constitution was the first such document to establish the principle of the separation of powers of the various branches of Government. It contains assurance of the protection of inalienable rights.

The committee of 30, to whom was referred the work of preparing a plan and form of government, entrusted this task to a subcommittee consisting of James Bowdoin, John Adams and Samuel Adams; who in turn committed the responsible task to John Adams alone. His draft of the framework was substantially adopted by the subcommittee, and afterward, slightly altered by the full committee, was offered for consideration to the convention.

The results of the labors of the convention were chiefly as John Adams had blocked them out and it would appear by every rightful title he can be declared the father of our State constitution.

A Declaration of Rights precedes the framework of the constitution. The people of Massachusetts were peculiarly sensitive on this subject. It is to our distinct advantage that our ancestors deemed it of first importance to declare

certain fixed principles—certain natural rights—as necessary safeguards in a document which would guarantee lasting liberty. Other sections of this written instrument would almost appear as outworks—the Declaration of Rights is the citadel. The life of constitutional liberty is there. Good words are great things to a free people.

The framework of the Massachusetts constitution as it came from the hands of the committee of 30 underwent but few changes in the substance. The final accepted document attained the purpose of three distinctive and coordinate functions of government—balancing and checking each other. Confusion of legislative, executive and judicial functions which had existed in other governing documents in other lands were rejected.

During the 175 years which have elapsed the three branches of government of our great commonwealth and the people themselves have acted in good faith toward our constitution. Steadiness and intelligence have marked the relations within our State. These characteristics reflect honor upon those who so wisely framed this document.

The character of our commonwealth has been exemplary. There has been no abandoning or dropping below the criterion established by the founders.

Secure in its tradition of democracy, strengthened by its extraordinary cultural resources, enriched by its industries and the workers who man them, the commonwealth looks back with pride upon the events of the year 1780. We look forward with prayerful determination to a future in which democratic processes, as set forth so wisely in our constitution, continue to insure ever greater opportunities for its people.

The resolution was agreed to; a motion to reconsider was laid on the table.

THE LATE CORDELL HULL

THE SPEAKER. The Chair at this time will recognize the gentleman from Tennessee [Mr. EVINS].

MR. EVINS. Mr. Speaker, divine providence has willed that the greatest champion of the cause of world peace of our generation be called to rest and enduring peace.

The news of the passing of Judge Cordell Hull came on Saturday last, just as the Geneva conference concluded its deliberations.

We are all fully aware of the news and greatly saddened by it—saddened to learn of the passing of this distinguished and eminent statesman of Tennessee.

As the Representative of the district where Judge Hull was born and lived and which he represented in Congress so long and ably and with such great distinction, it is my sad duty to formally announce to the Members of the House his passing at 9 o'clock, July 23, at the Naval Medical Center, at Bethesda, Md.

The passing of Judge Hull will be received with sadness in this body and in the Senate, where his devoted duty can never be surpassed—in his native State of Tennessee, the Nation, and throughout the free world.

Judge Hull was truly a man of national and international stature and we realize that in his passing a towering oak of our generation has fallen.

The silence which has overtaken this great and vital heart and voice for amity and peace will be felt wherever human dignity and liberty have true worth.

The life and career of Judge Hull can never be fully emulated, but it can serve as an inspiration to the youth of our country who possess ambition for a life of devoted and dedicated service to his fellow man. Judge Hull served successively as soldier, legislator, judge, Congressman, United States Senator, Secretary of State, and world diplomat.

Judge Hull was born on October 2, 1871, in then Overton but now Pickett County in the upper Cumberland section of Tennessee.

As a youth, Cordell Hull built through work a strong body which, in later years, he was able to draw upon as a great reserve of strength.

After graduating from Tennessee's famed Cumberland University School of Law, he entered upon a career of public service which took him to the greatest heights of achievement and world acclaim.

He was elected to the Tennessee Legislature—the general assembly of my State—before he was 21 years of age. After serving two terms as a State representative in Nashville, he was appointed circuit judge of Tennessee's fifth judicial circuit.

He was subsequently reelected judge and served on the bench for a period of 12 years.

In 1906 Cordell Hull was elected to Congress from the Fourth District of Tennessee. He served 24 yrs in Congress—22 in this body and 2 years in the Senate.

His service in the Senate was cut short because of his appointment as Secretary of State by President Franklin D. Roosevelt.

As Secretary of State, Judge Hull served from March 1933 to November 1944—in three administrations, and held this post longer than any other man in the Nation's history. He retired as Secretary of State because of declining health in the dark days of World War II.

The world knows that his accomplishments have been many and great.

Judge Hull was the author of the good-neighbor policy through which pan-American amity has grown and increased.

He devoted himself untiringly to the development of nonpartisanship in promotion of this Nation's foreign policy.

He was the author of the reciprocal trade agreements law, which bears his name—designed to promote the widest possible commerce and trade among nations of the world and to foster better understanding as a true deterrent to war.

His great work in the development of the United Nations as an organization for promoting understanding and cooperation rightfully brought to him recognition as the "father of the United Nations."

He contributed greatly to raising the standards of international morality and

conduct which is of utmost importance if nations are to live together in peace and friendship.

In 1945 Judge Hull was awarded the Nobel peace prize—among the many distinguished service awards granted to him during his lifetime.

Throughout his great career of public service and noted accomplishments, Judge Hull maintained always his great affection for and interest in his native Tennessee.

In turn the people of my State loved, esteemed, and revered Judge Hull as a fellow Tennessean.

Although a great destiny directed his life so that he could walk with kings, the essence of his nature was such that he never lost the common touch—and therein lies the ingredient which motivated and inspired the deep affection of his friends whose roots are embedded, as were his, in the hills of the Cumberland region of Tennessee.

In the passing of Cordell Hull, Tennessee, the Nation, and the free world have suffered a tremendous loss. I have lost a great and beloved friend whose counsel will be greatly missed.

Judge Hull's place in history is indelibly written. He has pointed the way—a course that if followed will bring for mankind an enduring peace—the achievement of which was the devoted purpose of the life of Cordell Hull.

I yield to my colleague, the dean of the Tennessee delegation [Mr. COOPER].

MR. COOPER. Mr. Speaker, it is with very deep regret that I have heard that my warm friend and distinguished fellow Tennessean, the Honorable Cordell Hull, has passed away.

It was my privilege to serve for one term in the House of Representatives with Mr. Hull before he went to the Senate. I worked with him and enjoyed a very warm friendship with him for many years. I always helped to lead the fight for his reciprocal trade agreements program, which I think is one of the greatest measures ever enacted by Congress.

Mr. Hull was a man of the very highest character and integrity, very great ability, and demonstrated devotion to the public service. He stood out in bold relief as one of the greatest statesmen of the world. His record of most distinguished service and outstanding accomplishments will forever stand as a great inspiration to those who follow after him. I join with all the people of Tennessee as well as the Nation and the free people of the entire world in mourning his passing.

MR. EVINS. Mr. Speaker, I yield to my colleague [Mr. PRIEST].

MR. PRIEST. Mr. Speaker, on the roster reserved for the truly great statesmen of all ages will now be added the name of Cordell Hull.

In his youth this stalwart son of the Volunteer State looked unto the hills from whence he drew his strength. He grew and matured, mentally and morally, as tall and straight as the sturdy pines that crown the peaks of the Cumberland Mountains.

On the principles of reciprocal trade and the good neighbor policy he laid

July 26, 1955

The Education and Labor Committee ordered reported H. R. 2840, to provide Federal aid to the States for the demonstration of public library service in rural areas without such service or with inadequate library facilities (p. D784).

16. RECLAMATION; WATER COMPACTS. The Interior and Insular Affairs Committee ordered the following bills reported: H. R. 1603, to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects; H.R. 5169, to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley Conservancy District, N. Mex.; and S. 2260, amended, granting consent to Arkansas, Louisiana, Oklahoma, and Texas to a compact on the Red River (p. D785).

SENATE

17. APPROPRIATIONS. Passed with amendments H. R. 7278, the supplemental appropriation bill for 1956 (pp. 9888, 9906-27). Senate conferees were appointed (p. 9927). Agreed to the committee amendments (see Digest 124) (p. 9906). Agreed to a Thye amendment providing an additional loan authorization of \$15 million for loans to low-income farmers, as amended by a Sparkman amendment providing \$25 million for farm housing loans, contingent upon the enactment during this session of Congress of S. 2126, the housing bill, and providing \$1.3 million for salaries and expenses, Farmers' Home Administration (the Thye amendment if unamended would have provided \$350,000 for Farmers' Home Administration) (pp. 9913-5). Sen. Thye also submitted an amendment to restore the estimate of \$380,000 for ARS research but withdrew it after debate (pp. 9913-14).
18. RESERVE FORCES. Agreed to the conference report on H. R. 7000, to provide for strengthening of the Reserve Forces (pp. 9885-8). This bill will now be sent to the President.
19. CLAIMS. Received a proposed supplemental appropriation estimate to pay claims for damages, audited claims, and judgments rendered against the U. S.; to Appropriations Committee (S. Doc. 75) (pp. 9868-9).
20. PUBLIC LANDS; MINERALS. The Interior and Insular Affairs Committee reported with amendments H. R. 100, to permit the mining development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development (S. Rept. 1150) (p. 9871).
21. BONDING EMPLOYEES. Conferees were appointed on H. R. 4778, to provide for the purchase of bonds to cover officers and employees of the Government (p. 9873). House conferees have not been appointed. The bill authorizes the heads of departments and agencies of the Government to purchase bonds for officers and employees out of appropriated funds.
22. RECLAMATION. The Interior and Insular Affairs Committee ordered reported without amendment H. R. 4663, authorizing the Trinity River division, Central Valley project, Calif.; and H. R. 3587, to authorize a water compact between Oreg. and Calif. for the waters of the Klamath River (p. D781).

23. IRRIGATION; MINERALS. The Interior and Insular Affairs Committee ordered reported with amendment S. 1818, to limit the amount of land on Federal irrigation projects which may be exchanged by veteran settlers on other irrigation projects, and H. R. 6373, to encourage the discovery, development, and production of certain domestic minerals (p. D781).
24. LOW-INCOME FARMERS. Sens. Goldwater, Sparkman, and Aiken discussed problems of the low-income farmers (pp. 9892-9902). Sens. Aiken and Sparkman expressed concern over the elimination of funds by the Senate Appropriations Committee which would have helped improve the lot of the $1\frac{1}{2}$ million low-income farmers (pp. 9893-4).
25. ELECTRIFICATION. Sen. Morse inserted various resolutions favoring the proposed Hells Canyon and John Day Dams (pp. 9869-71).
Sen. Neuberger stated that "my constituents in the State of Oregon are the victims of a political run-around from Secretary McKay and the Interior Department" regarding the proposed development of the Beaver Marsh project, and inserted correspondence on this subject (pp. 9874-6).
26. CONGRESSIONAL AUTHORITY. Sen. Knowland inserted an analysis of the power of Congress to require testimony, papers, and documents from the President and the executive branch of the Government (pp. 9876-80).

BILLS INTRODUCED

27. POSTAL SERVICE. S. 2634, by Sen. Carlson, relating to the transportation of mail by highway post-office service; to Post Office and Civil Service Committee (p. 9872).
S. 2636, by Sen. Carlson, to restore the authority of the Postmaster General to adjust postage rates for air parcel-post service; to Post Office and Civil Service Committee (p. 9872).
28. PERSONNEL. H. R. 7597, by Rep. Byrne, Pa., to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon certain claims of employees of the United States Government for gratuity, holiday, or overtime compensation during the period covered by World War II; to Judiciary Committee (p. 10017).
H. R. 7603, by Rep. O'Hara, Ill., H. R. 7610, by Rep. Tumulty, and H. R. 7618, by Rep. Murray, Tenn., "to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended;" to Post Office and Civil Service Committee (p. 10017).
H. R. 7619, by Rep. Murray, Tenn., and H. R. 7620, by Rep. Rees, Kans., to adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government; to Post Office and Civil Service Committee (p. 10017).
29. RESEARCH, FOOD. H. R. 7605, by Rep. Priest, and H. R. 7606, by Rep. O'Hara, Minn., to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of new food additives which have not been adequately tested to establish their safety; to Interstate and Foreign Commerce Committee (p. 10017).
H. R. 7607, by Rep. Priest, to amend the Federal Food, Drug, and Cosmetic Act for the protection of the public health, by prohibiting new food additives which have not been adequately pretested to establish their safe use under the conditions of their intended use; to Interstate and Foreign Commerce Committee (p. 10017).

By Mr. HOLLAND:

Address entitled "The National Rivers, Harbors, and Flood-Control Program," delivered by Maj. Gen. S. D. Sturgis, Jr., Chief of Engineers, United States Army, at 42d national convention of the National Rivers and Harbors Congress, May 31, 1955.

By Mr. POTTER:

Address by Under Secretary of Labor Arthur Larson, delivered at Eighth Annual Conference on Aging, University of Michigan, Michigan Union, Ann Arbor, Mich., on June 28, 1955, which will appear hereafter in the Appendix.

By Mr. McNAMARA:

Statement made by G. Mennen Williams, Governor of the State of Michigan, before the Refugee Subcommittee of the Senate Committee on the Judiciary on June 8, 1955.

By Mr. LANGER:

Letter dated April 3, 1955, addressed to him by Louis A. Kostelecky, of North Dakota, discussing farm problems:

By Mr. GOLDWATER:

Remarks of Col. James C. Wood, Republican State chairman of Arizona, entitled "Who's Who With Labor?"

By Mr. BENDER:

Address entitled "Far Western Growth Makes Utility History," delivered by James B. Black, chairman of the board of the Pacific Gas & Electric Co., before the 23d annual convention of the Edison Electric Institute, in Los Angeles, Calif., on June 14, 1955, which will appear hereafter in the Appendix.

Article entitled "McDermott on Passports," published in the Cleveland Plain Dealer of July 16, 1955, dealing with the activities of the Passport Division of the State Department, which will appear hereafter in the Appendix.

By Mr. JOHNSTON of South Carolina:

Article entitled "Farm and Factory Product Prices Reach Widest Spread Since World War II's End," published in the Wall Street Journal of July 7, 1955.

By Mr. MONRONEY:

Article entitled "Needed: Airport Development Aid," written by Larry Cates, and published in the Air Line Pilot for July 1954.

By Mr. LEHMAN:

Two communications relating to minimum-wage legislation.

By Mr. WILEY:

Article entitled "A Vaccine Against Delinquency," written by Hon. Jacob K. Javits, attorney general of the State of New York, for the National Jewish Welfare Board.

Letter written by Bill Grogan, reporting on moral rearment trip through Asia.

REGULATION OF ELECTION OF DELEGATES OF THE DISTRICT OF COLUMBIA TO NATIONAL POLITICAL CONVENTIONS

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 191) to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MORSE. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. MORSE, Mr. BIBLE, and Mr. HRUSKA conferees on the part of the Senate.

DONATION OF CERTAIN AGRICULTURAL COMMODITIES TO PERSONS IN DISTRESSED AREAS

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 2851) to make agricultural commodities owned by the Commodity Credit Corporation available to persons in need in areas of acute distress, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. ELLENDER, Mr. HOLLAND, Mr. ANDERSON, Mr. AIKEN, and Mr. WILLIAMS conferees on the part of the Senate.

AMENDMENT OF TITLE V OF THE AGRICULTURAL ACT OF 1949

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 3822) to amend title V of the Agricultural Act of 1949, as amended, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. ELLENDER, Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. AIKEN, and Mr. YOUNG conferees on the part of the Senate.

PURCHASE OF BONDS TO COVER CERTAIN EMPLOYEES OF POST OFFICE DEPARTMENT

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 4778) to provide for the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks of the Armed Forces, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JOHNSTON of South Carolina. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. JOHNSTON of South Carolina, Mr. NEELY, and Mr. CARLSON conferees on the part of the Senate.

LEADERSHIP DISPLAYED BY PRESIDENT EISENHOWER AT THE GENEVA CONFERENCE

Mr. CARLSON. Mr. President, once again, President Eisenhower has displayed his capacity for leadership by seizing the diplomatic initiative from the Soviets and restoring it to the free world.

In an atmosphere tense with suspicion and fear, the President remained conciliatory and calm. He did not go to Geneva to make deals and he did not attempt to do so. He made none.

When the Soviets manifested their usual truculent attitude, the President was neither discouraged nor dismayed. Knowing these people, he anticipated their behavior and was prepared to act accordingly.

With superb timing, omitting catchy phrases or meaningless slogans, he ultimately presented a forthright proposal for the exchange of military blueprints and mutual access for aerial inspection of defense establishments.

At the same time, he solemnly stated the alternatives, namely, that the United States was prepared to maintain, and if necessary increase, its armed strength for as long a period as is necessary to safeguard peace and to maintain our security.

The sincerity of the United States in the search for peace was thus forcibly presented to the world. The Soviets have no answer.

No one can evaluate the accomplishments of the Geneva Conference at this time. Our President went to Geneva with the extremely limited objective of seeking new approaches to old problems. There can be no doubt that he accomplished that objective and possibly more. Furthermore, despite the misgivings of some, he met with the Russians without appeasing them or in any way jeopardizing the existing reliable safeguards for the security of the United States and its friends and allies.

The real story of Geneva can be told only when we observe the Soviet reaction to our proposal. The possibility exists that the obvious honesty and integrity of the President must cause serious reflective thought in the Kremlin, with an eventual genuine attempt on the part of the Russians to resolve the present world tension.

If, in subsequent months, they move toward implementing President Eisenhower's plans, a giant stride toward peace may have been taken. If not, we shall have at least made our aspirations clear to the world.

In any event, a favorable setting has been established for the forthcoming October meeting of the Foreign Ministers, when the difficult problems of German unity and European security are to be discussed.

We are fortunate that, at this crucial phase of human history, the American people have the benefit of the inspiring and imaginative leadership of President Eisenhower.

The President has successfully completed a difficult assignment. He has

created an atmosphere of sincere, calm reassurance in a world fraught with tension. A grateful Nation thus welcomes him home.

ILLNESS OF SENATOR JOHNSON OF TEXAS

Mr. BUSH. Mr. President, one of the finest of the many editorials which have come to my attention concerning the majority leader, the distinguished Senator from Texas [Mr. JOHNSON], was published recently in the Waterbury (Conn.) Republican. I think the editor who wrote this editorial has formed a very excellent picture of the majority leader. I am very much impressed with the fact that he has formed such a good picture at such a distance from this very remarkable man.

As one of the many friends of the distinguished majority leader who have the deepest sympathy for him in his present plight, I take great pleasure in asking unanimous consent that this fine editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SENATOR JOHNSON STRICKEN

It must have given a mental shock to innumerable readers of the news from Washington to learn, in the course of the weekend, that Senator LYNDON B. JOHNSON of Texas, floor leader of the Democratic majority in the more select chamber of Congress, had been stricken with a severe heart attack. He is in the prime of life, and had appeared to be endowed with extraordinary powers of physical vigor and stamina, as well as intellectual resourcefulness. Indeed, he must have been richly supplied with all of those qualities, to have been able to withstand for so long the strain of such efforts as he constantly applied to the performance of his official tasks.

Close observers of Congress in action had commonly noted that Senator JOHNSON was one of the most zealous and efficient majority leaders his own or the Republican Party had ever assigned to his position. To begin with, he undoubtedly had a natural talent for his responsibilities, and a skillfully cultivated knowledge of how to apply it with the utmost possible success. Even so, it obviously took a vast amount of continuous exertion besides, to achieve the impressive parliamentary feats that Washington newswriters have given him credit for.

It has been in some degree reassuring to read that, while he probably will not be able to resume his post before the present session of Congress is adjourned, the Senator apparently may be expected to recover in plenty of time for the next. Even so, it is to be supposed, and also hoped, that he never again will spend his energy so extravagantly as he had done this year, up to the time when he was stricken. He has been such an exceptionally competent and admirable legislator that the national community would be loath to hear of his withdrawal from public life.

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Best Wishes, Senator JOHNSON," which was published in a recent edition of the Nashville Banner.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BEST WISHES, SENATOR JOHNSON

Senator LYNDON JOHNSON's serious illness is a matter of deep concern to all who know him personally, or who know him simply by name as the Senate majority leader.

An important responsibility passed to him when congressional control shifted last year to his party's hands. For the most part, he has exercised that role as a balance wheel—neither unresponsive to the dictates of conservatism as embodied by respected southern Senators, nor amenable to the legislative demands of wild-eyed liberals in their partisan handiwork.

Quite a calendar of unfinished business remains at this time, with hurdles to be cleared without undue delay if Congress is to adjourn on the indicated date, July 31. The Nation is concerned about that. It looks to Senator EARL CLEMENTS, as majority leader pro tempore, to skillfully use the reins of that driver's seat.

America's best wishes go to Senator JOHNSON for a speedy and complete recovery.

BEAVER MARSH PROJECT

Mr. NEUBERGER. Mr. President, my constituents in the State of Oregon are the victims of a political run-around from Secretary McKay and the Interior Department.

Conservationists in Oregon are objecting to a proposed power project on the scenic reaches of the upper McKenzie River, known as the Beaver Marsh project, because they fear it would destroy scenery and fish life, and otherwise impair recreational values.

The Interior Department, speaking through Assistant Secretary Fred G. Aandahl, has indicated to the Federal Power Commission that it has no objection to the granting of a license to the Eugene Water Board for construction of the Beaver Marsh project. This report is dated December 16, 1954.

But Secretary of the Interior Douglas McKay, in a letter to me dated July 15, 1955, has declared himself against the Beaver Marsh project.

What utter nonsense is this, Mr. President? Is Douglas McKay the Secretary of the Interior or is he not? Is he trying to straddle the fence by letting his Department ratify the Beaver Marsh project, while he himself tries to satisfy conservationists by opposing it? If this is the case, let me say that Oregon conservationists will not be fooled. They know that, while Secretary McKay may give them fine words and rhetoric, he is permitting his Department to approve a project which will damage fisheries, marvelous waterfalls, and wildlife in the watershed of the McKenzie River.

This is the old political shell game—giving one side the words and the other side the decision.

Let me read to the Senate an amazing quotation from Secretary McKay's letter to me of last week. He writes:

While the bureaus in the Department of the Interior would not be adversely affected by this project, I personally am very definitely opposed to it.

Imagine what would happen, Mr. President, if every level of government followed this incredible line of procedure. We would have the Treasury Department advocating a balanced budget, while Secretary Humphrey would write let-

ters to Senators saying "I personally am very definitely opposed to it."

We would have the Department of Agriculture proposing flexible price supports for farm products, while Secretary Benson would write letters to Senators saying "I personally am very definitely opposed to it."

We would have the Department of Health, Education, and Welfare suggesting Federal aid to school construction, while Secretary Folsom would write letters to Senators saying "I personally am very definitely opposed to it."

What does it mean to be a Cabinet officer in this administration, Mr. President? Does it mean that his department does one thing while he urges a different course? Is the office of Secretary of the Interior purely titular, or does it carry with it authority over the various agencies of the Interior Department?

I have been wondering, for example, why the Interior Department, under Secretary McKay, was proposing expenditures of \$1,659 million on the upper Colorado River while at the same time it insists that the Federal budget cannot stand the strain of \$308 million in expenditures at Hells Canyon, in Mr. McKay's own Pacific Northwest region.

I call to the attention of Pacific Northwest conservationists the undeniable fact that the Interior Department, under Assistant Secretary Fred G. Aandahl, has ratified the Beaver Marsh project, while Secretary of the Interior McKay says he is opposed to that project. In other words, the conservationists get the phrases; the Eugene Water Board gets the departmental decision. This is about as logical as a judge telling a felon: "The jury having found you innocent, I sentence you to be hanged."

Mr. President, unlike Secretary McKay, I have only one position on the Beaver Marsh project—I am opposed to it. I ask unanimous consent to include in the RECORD with these remarks my letter of July 18, 1955, to the Federal Power Commission expressing opposition to the Beaver Marsh project, because of its adverse effect on scenery, waterfalls, fisheries, and the McKenzie drainage basin generally.

I also ask unanimous consent to include the Interior Department report from Assistant Secretary Aandahl of December 16, 1954, approving the project, and Secretary McKay's letter to me of July 15, 1955, opposing the project.

I call attention to the fact that Secretary McKay claims he will continue to oppose it—Beaver Marsh project.

This will be most heartening to Oregon conservationists, I am sure. The Secretary of the Interior will continue to oppose the project while the Department of the Interior, presumably, will continue to approve the project.

This Jekyll-and-Hyde performance may be good politics, Mr. President, but I submit that it definitely is not good government.

There being no objection, the letters and reports were ordered to be printed in the RECORD, as follows:

July 28, 1955

14. MINERALS. Passed as reported H. R. 100, to permit the mining development and utilization of mineral resources of all public lands withdrawn or reserved for power development (pp. 10193, 10216-7).
15. RECLAMATION; IRRIGATION. Passed with amendments H. R. 5881, to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects. The amendments consisted of inserting the language of S. 242 for that of the House bill. Senate conferees were appointed. (pp. 10207-15.)
Passed over, at the request of Sen. Bible, H. R. 4663, to authorize the construction of the Trinity River division, Central Valley project (p. 10194).
Passed as reported S. 1818, to limit the amount of land on Federal irrigation projects which may be exchanged under the act of August 13, 1953 (pp. 10194-5).
Sens. Morse and Neuberger inserted various articles and letters supporting the high dam project for the Hells Canyon Dam project (pp. 10206-7, 10221-3).
16. WATER COMPACTS. Passed without amendment H. R. 3587, authorizing the negotiation of compact by Calif. and Ariz. relative to the waters of the Klamath River (p. 10196).
17. FAO. Passed over, at the request of Sen. Ellender, S. J. Res. 97, to increase the limitation on the U. S. contribution to the Food and Agriculture Organization (p. 10196).
18. ROADS. Sen. Kuchel expressed his regret that Congress did not enact a Federal-aid highway construction bill this session.
19. WHEAT. Sen. Flanders suggested dropping bags of wheat on the Chinese mainland to alleviate the famine and influence the approaching diplomatic negotiations (pp. 10152-3).
20. EXPENDITURES. Sen. Payne commended the recent report on Government expenditures prepared by Sen. Byrd (pp. 10145-6).
21. HEALTH. Sen. Wiley inserted reports of the Public Health Service and private groups on the problem of health in the rural areas and efforts made to provide better health services (pp. 10153-6).
22. STRATEGIC MATERIALS. Sen. Malone submitted a report on the accessibility of strategic and critical materials to the United States in time of war and for our expanding economy. The report describes the economic structure of the 24 nations of the Western Hemisphere and the investment climate within those countries (S. Doc. 83) (p. 10183).
23. NOMINATIONS. Confirmed the nomination of Francis Wilcox as Assistant Secretary of State (pp. 10180-2).
24. LEGISLATIVE PROGRAM. The Majority Leader scheduled for consideration Fri., July 29, the following measures: H. R. 6373, to amend the Domestic Minerals Program Extension Act of 1953 (which was made the unfinished business); H. R. 4663, to authorize the construction of the Trinity River division, Central Valley Reclamation project; S. J. Res. 97, to increase U. S. contribution to the FAO; and S. 2402, to amend sec. 8 of the Civil Service Retirement Act of May 29, 1930 (pp. 10221, 10195, 10219).

HOUSE

25. FARM-CITY WEEK. The Judiciary Committee reported with amendment H. J. Res. 317, designating the last week in October of each year as National Farm-City Week (H. Rept. 1551) (p. 10334).
26. CCC. The Banking and Currency Committee reported without amendment H. R. 7541, to increase the borrowing power of the CCC from \$10 billion to \$12 billion (H. Rept. 1559) (p. 10334).
27. SUGAR. The Rules Committee reported a resolution providing for consideration of H. R. 7030, to amend and extend the Sugar Act of 1948 (p. 10325).
28. HOUSING. The Rules Committee reported a resolution providing for consideration of S. 2126, the housing bill (p. 10322).
29. FOREIGN AID. Both Houses agreed to the conference report on H. R. 7224, the mutual security appropriation bill for 1956, and acted on amendments in disagreement (pp. 10167-73, 10241-2). This bill will now be sent to the President.
30. TRADE AGREEMENTS. Both Houses received a Tariff Commission report on the operation of the trade agreements program, July 1953 to June 1954; to S. Finance and H. Ways and Means Committees (pp. 10137, 10334).
31. MINIMUM WAGE. Received the conference report on S. 2168, to amend the Fair Labor Standards Act of 1938 so as to provide for an increase to \$1 in the minimum wage provisions (H. Rept. 1561) (pp. 10320-1).
32. PERSONNEL. The Post Office and Civil Service Committee reported without amendment H. R. 3255, to amend the Classification Act of 1949 so as to provide protection for Government officers and employees from loss of basic compensation resulting from reclassification of their positions (H. Rept. 1557) (p. 10334).
33. FARM INCOME. Rep. Deane discussed possibilities for increasing per capita farm income in N. C. and offered suggestions for agricultural development in that State (pp. 10328-32).
34. EMPLOYEE BONDING. Received the conference report on H. R. 4778, to provide for the purchase of bonds to cover officers and employees of the Government (pp. 10322-5). The House conferees included the following in their statement:
"The conference substitute provides, in general, (1) for the mandatory purchase of surety bonds to cover civilian officers and employees and military personnel of each department and independent establishment in the executive branch ... who are required to be bonded by law or by administrative decision, and (2) for the discretionary purchase of surety bonds to cover those officers and employees in the legislative and judicial branches of the Federal Government with respect to whom the appropriate officials of the legislative and judicial branches deem it advisable to require the purchase of surety bonds.
"With respect to the executive branch, the conference substitute provides that the head of each department and independent establishment shall obtain and procure blanket, position schedule, or other types of surety bonds to cover those civilian officers and employees and military personnel of such department or establishment who are required, by law or administrative ruling to be bonded. It is required that such bonds shall be obtained and procured

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under and in conformity with regulations which the Secretary of the Treasury is required to prescribe and issue under the provisions of the conference substitute..."

35. **LEGISLATIVE PROGRAM.** Acting Majority Leader Albert announced that today the housing bill will be considered and that on Saturday the Private and Consent Calendars will be called (pp. 10321, 10327).

BILLS INTRODUCED

36. **SURPLUS PROPERTY.** S. 2668, by Sen. McClellan, to amend the Federal Property and Administrative Services Act of 1949, as amended, regarding advertised and negotiated disposals of surplus property; to Government Operations Committee (p. 10139).
37. **EDUCATION.** S. 2670, by Sen. Hill, to amend Public Laws 815 and 874, 81st Congress, which provide for assistance to local educational agencies in areas affected by Federal activities; to Labor and Public Welfare Committee (p. 10139).
38. **CLAIMS.** H. R. 7658, by Rep. Church, and H. R. 7688, by Rep. Hiestand, relating to the payment of certain claims against the Government where the appropriations therefor have lapsed; to Government Operations Committee (p. 10336).
39. **ROADS.** H. R. 7659, by Rep. Scudder, and H. R. 7669, by Rep. Wright, to amend and supplement the Federal Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways; to Public Works Committee (p. 10336).
40. **BUILDINGS; CONTRACTS.** H. R. 7668, by Rep. Priest, H. R. 7676, by Rep. Wright, H. R. 7686, by Rep. Bray, and H. R. 7693, by Rep. Madden, to prescribe policy and procedure in connection with construction contracts made by executive agencies; to Judiciary Committee (p. 10336).
41. **PERSONNEL.** H. R. 7660, by Rep. Church, H. R. 7691, by Rep. Hiestand, H. R. 7696, by Rep. Cramer, and H. R. 7699, by Rep. Gray, "to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended;" to Post Office and Civil Service Committee (p. 10336).
42. **LIVESTOCK.** H. R. 7672, by Rep. Hiestand, to prohibit the transportation in interstate or foreign commerce of meat or other products from livestock or poultry not slaughtered by a humane method; to Agriculture Committee (p. 10336).

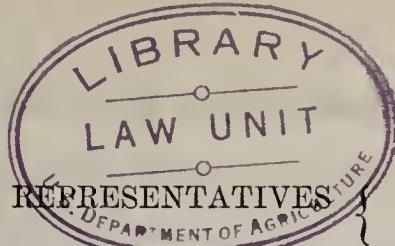
ITEMS IN APPENDIX

43. **ROADS.** Extension of remarks of Rep. Jenkins attempting to analyze the confused state of affairs which led to the defeat of both the Administration's and the Senate's highway bills (pp. A5571-2).
Extension of remarks of Rep. Cramer, reporting the results of a telephone poll of his (1st, Fla.) district, which indicated that over 77% of his constituents favored the tax-supported road bill, as opposed to that sponsored by the Administration (pp. A5585-6).

44. GRAINS: CORN. Rep. King inserted a Philadelphia Inquirer article criticizing price supports and suggesting that, by way of Canada, U. S. corn may be delivered in Russia at less than market prices (p. A5573).
45. FARM PROGRAM. Sen. Neely inserted an article from the Democratic Digest which evaluated the record of President Eisenhower and expressed the opinion that he has not been well informed concerning some pressing farm problems (pp. A5574-5).
46. WILDLIFE. Extension of remarks by Rep. Sikes, mentioning his bill, H. R. 5442, "to promote effectual planning ... of wildlife, fish and game conservation ... in military reservations," and including an article, "G. I. Conservation," by a well-known conservationist (pp. A5578-9).
47. MONOPOLIES. Sen. O'Mahoney inserted an article from the Democratic Digest giving instances of alleged rapid growth of monopolies under the Eisenhower administration (pp. A5581-2).
48. COTTON; FARM PRODUCTS. Sen. Anderson inserted a speech delivered by Assistant Secretary Butz at Mississippi State College, describing the importance of cotton to the South and outlining the development of Southern agriculture and the improvement in living conditions in the South during the past 20 years (pp. A5582-5).
49. DAIRY INDUSTRY. Extension of remarks by Rep. Zablocki commending his colleague, Rep. Johnson, Wis., for his interest in the dairy farmers of their state and discussing the importance of a healthy dairy industry to the economic well-being of Wisconsin (p. A5597).
50. WHEAT. Sen. Neuberger inserted a letter from the Oregon Wheat Commission describing an ingenious plan to borrow and popularize foreign ways of utilizing wheat, citing the success of a California restaurant which features an Armenian special, "pilaff" (p. A5589).
Rep. Harrison inserted a press release by Secretary Benson and official correspondence by the Secretary and by Assistant Secretary Peterson concerning "growing wheat on controlled acres for the purpose of feed and seed without being subject to the penalty provisions of the present agriculture act" (pp. A5605-7).
51. FARM LABOR. Sen. Douglas inserted some Senate debate in which he discussed the bill extending the Mexican contract farm labor program and inserted a Denver Post article describing the plight of American migratory farm workers (p. A5593).

HOUSE (CONTINUED)

52. PERSONNEL. H. R. 7619, as reported (see Digest 127), increases the pay of certain Government officials, including the following provisions.
Adds a fifth salary rate of \$14,835 at the end of the present pay scale of GS-17, which now consists of 4 steps, but makes no change in the rates for the first 4 steps.
Increases the present single rate of \$14,800 for GS-18 to a single rate of \$16,000.
Increases from \$15,000 to \$17,500 the maximum pay for not to exceed 5 USDA specialists in research on food-and-mouth and other animal diseases.



BONDING OF CIVILIAN AND MILITARY PERSONNEL OF FEDERAL GOVERNMENT

JULY 28, 1955.—Ordered to be printed

Mr. MURRAY of Tennessee, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H. R. 4778]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4778) entitled "An act to provide for the purchase of bonds to cover officers and employees of the Government," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *That section 14 of title 6 of the United States Code is amended to read as follows:*

“§ 14. Purchase of Bonds to Cover Officers and Employees of the Federal Government

“(a) Subject to subsection (b) of this section, the head of each department and independent establishment in the executive branch of the Federal Government shall obtain, under regulations which shall be promulgated by the Secretary of the Treasury, blanket, position schedule, or other types of surety bonds covering the civilian officers and employees and military personnel of such department or independent establishment who are required by law or administrative ruling to be bonded. The appropriate officials of the legislative and judicial branches of the Federal Government may obtain any or all of such types of surety bonds covering such officers and employees under their respective jurisdictions as such officials may deem appropriate to be bonded. Each bond obtained under this section shall be of the most economical type available for the number and type of personnel to be bonded and shall be conditioned upon the faithful performance of the duties of the individual or individuals so bonded. The bond premium may cover a period not exceeding two years and shall be

paid from any funds available for the payment of administrative expenses at the time such premium becomes payable. Whenever any civilian officers or employees or military personnel are covered by a bond under authority of this section, the surety or sureties on any existing bond of any such civilian officers or employees or military personnel shall not be liable for any defaults occurring subsequent to the date of the new coverage. For purposes of this section, the term 'faithful performance of the duties' shall include the proper accounting for all funds or property received by reason of the position or employment of the individual or individuals so bonded and all duties and responsibilities imposed upon such individual or individuals by law or by regulation issued pursuant to law.

"(b) If, in the opinion of the head of the department or independent establishment concerned, the premium cost for any bond procured under this section covering officers or employees in the executive branch of the Federal Government will exceed the rate of \$150 per annum, the procurement of such bond shall be made by the head of such department or independent establishment only after advertising a sufficient time previously for proposals for the furnishing of such bond, except that such advertising for proposals shall not be required when the public exigencies require the immediate procurement of such bond.

"(c) The Secretary of the Treasury shall transmit to the Congress, on or before June 30, 1956, a comprehensive report of the operations of the departments and independent establishments under this section. Thereafter, the Secretary of the Treasury shall transmit to the Congress on or before October 1 of each year, beginning with the year 1957, a comprehensive report of such operations during the preceding fiscal year. Such report shall include, among other matters, information, in summary and in detail, with respect to operations under this section, setting forth—

"(1) the number of officers and employees covered by bonds procured under this section,

"(2) the number and types of bonds procured under this section and the individual penal sums thereof,

"(3) the amounts of the premiums paid for bonds procured under this section, and

"(4) such other information as may be necessary to enable the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives to determine the results of operations under this section.

The reports submitted by the Secretary of the Treasury under this section shall be delivered to the President of the Senate and to the Speaker of the House of Representatives (or to the Clerk of the House and the Secretary of the Senate, respectively, if the Congress is not in session) on the same day, and shall be referred to the Committee on Post Office and Civil Service of each House."

SEC. 2. The last sentence of section 6 of title 6 of the United States Code is amended to read as follows: "Except with respect to bonds obtained under section 14 of this title, no officer or person having the approval of any bond shall require that such bond shall be furnished by a guaranty company or by any particular guaranty company."

SEC. 3. The analysis of title 6 of the United States Code, immediately preceding section 1 of such title, is amended by striking out the item

"14. Rate of premium on bond; premiums not to be paid by United States."

and inserting in lieu thereof the following:

"14. Purchase of bonds to cover officers and employees of the Federal Government."

Sec. 4. The amendments made by this Act shall take effect on January 1, 1956.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows:

In lieu of the amended title proposed by the Senate amendment, amend the title so as to read: "An Act to provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government."

And the Senate agree to the same.

TOM MURRAY,

J. H. MORRISON,

EDWARD H. REES,

Managers on the Part of the House.

OLIN D. JOHNSTON,

MATTHEW M. NEELY,

FRANK CARLSON,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4778) entitled "An act to provide for the purchase of bonds to cover officers and employees of the Government" submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendments struck out all of the House bill after the enacting clause and inserted a substitute text and provided a new title for the House bill.

With respect to the amendment of the Senate to the text of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the text of the House bill and the text provided by the Senate amendment and that the Senate agree to the same.

The House bill related to the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks in the armed services and in the United States Coast Guard. The Senate amendment related to the purchase of bonds to cover civilian officers and employees and military personnel of each department and independent establishment in the executive branch of the Federal Government, including the government of the District of Columbia, and officers and employees in the legislative and judicial branches of the Federal Government.

Except for technical and minor drafting changes, the differences between the texts of the House bill, the Senate amendment, and the conference substitute are explained below.

The House bill authorized the Postmaster General to purchase certain types of bonds to cover any or all postmasters, officers, and employees of the Post Office Department and mail clerks in the armed services and in the United States Coast Guard required by law or administrative determination to be bonded. Under the House bill, such purchase of bonds was authorized to be made, under regulations to be prescribed by the Postmaster General, whenever the Postmaster General determined that such purchase would be in the best interests of the Federal Government. The types of bonds so authorized to be purchased were such blanket, position schedule, or other type of surety bonds as the Postmaster General deemed appropriate to cover those individuals required to be bonded. Payment for such bonds was to be made from appropriations or other funds available to the Post Office Department.

The House bill further provided (1) that the premiums on any such bonds could cover periods of not to exceed 4 years, (2) that the bonds should contain such conditions and be in such penalty as the Postmaster General deemed necessary to protect the interests of the Federal Government, and (3) that nothing contained in the House

bill should operate to relieve any postmaster, officer, employee, or mail clerk or his surety from any liability otherwise imposed by law.

The Senate amendment required the head of each department and independent establishment in the executive branch of the Federal Government and in the municipal government of the District of Columbia to obtain blanket, position schedule, or other type of surety bonds to cover civilian officers and employees and military personnel thereof who are required by law or administrative ruling to be bonded. The Senate amendment also authorized the appropriate officials of the legislative and judicial branches of the Federal Government in their discretion to obtain any or all of the above-mentioned types of surety bonds to cover officers and employees under their respective jurisdictions.

The Senate amendment further provided that each bond should be of the most economical type available for the number and type of personnel required to be bonded. The Senate amendment also provided that the bond premium might cover a period not exceeding 2 years and that such premium should be paid from any funds available for the payment of administrative expenses at the time such premium becomes payable.

A further provision of the Senate amendment was to the effect that if, in the opinion of the head of the department or independent establishment concerned, the premium cost for any bond procured under authority of the Senate amendment covering officers and employees in the executive branch of the Federal Government would exceed a rate of \$250 per annum, the procurement of such bond would be required to be made through the Administrator of General Services when so required by him pursuant to section 302 of the Federal Property and Administrative Services Act of 1949 (41 U. S. C., sec. 252).

The Senate amendment was to become effective 60 days after the date of its enactment.

The conference substitute provides, in general, (1) for the mandatory purchase of surety bonds to cover civilian officers and employees and military personnel of each department and independent establishment in the executive branch of the Federal Government (not including the government of the District of Columbia) who are required to be bonded by law or by administrative decision, and (2) for the discretionary purchase of surety bonds to cover those officers and employees in the legislative and judicial branches of the Federal Government with respect to whom the appropriate officials of the legislative and judicial branches deem it advisable to require the purchase of surety bonds.

With respect to the executive branch, the conference substitute provides that the head of each department and independent establishment shall obtain and procure blanket, position schedule, or other types of surety bonds to cover those civilian officers and employees and military personnel of such department or establishment who are required by law or administrative ruling to be bonded. It is required that such bonds shall be obtained and procured under and in conformity with regulations which the Secretary of the Treasury is required to prescribe and issue under the provisions of the conference substitute.

With respect to the legislative and judicial branches, the conference substitute provides that the appropriate officials of those branches

may obtain and procure, in their discretion, blanket, position schedule, or other types of surety bonds to cover those officers and employees under their respective jurisdictions as such officials may deem it necessary or advisable to cover by surety bonds. It may be noted that the above-mentioned regulations prescribed and issued by the Secretary of the Treasury will not be applicable with respect to the legislative and judicial branches of the Federal Government.

The conference substitute further provides that each surety bond obtained and procured, under the provisions of the conference substitute, to cover personnel in the executive, legislative, and judicial branches of the Federal Government, shall be "of the most economical type available for the number and type of personnel to be bonded." It is not the intent of this provision that a bond or bonds obtainable at the lowest premium rate per annum shall constitute in all cases a bond of the "most economical type." Such would seem to be the case as a general rule, all other factors and considerations being equal. However, in many cases, variations in such factors and considerations as differences in the relative financial standing and reliability of the surety, the terms of the respective surety bond contracts available, and the number and types of personnel to be bonded may require, in the interests of the Federal Government other than in the strictly financial sense, the purchase of such bonds at premium rates per annum which are higher than the lowest premium rates per annum actually obtainable. The above-discussed provision of the conference substitute will permit this result.

The conference substitute further provides that each bond obtained and procured, under the provisions of the conference substitute, shall be conditioned upon the "faithful performance of the duties" of the individual or individuals so bonded. The conference substitute elaborates upon the meaning of such quoted words, as an aid to the administration of the conference substitute, by providing that the term "faithful performance of the duties" shall include, for purposes of the conference substitute, (1) the proper accounting for all funds or property received by reason of the position or employment of the individual or individuals so bonded and (2) all duties and responsibilities imposed upon such individual or individuals by law or by regulation issued pursuant to law.

The conference substitute also authorizes the payment of any bond premium to cover a period of not in excess of 2 years. Existing law, however, limits any such payment to a period not in excess of 1 year. Therefore, the operation of this provision of the conference substitute, together with existing law, makes possible the payment of a bond premium to cover either a period not in excess of 1 year or a period not in excess of 2 years, whichever is determined to be the more advantageous to the Federal Government. No bond premium, however, may cover a period in excess of 2 years. The purposes of this provision of the conference substitute are to secure the advantage of more favorable premium rates on surety bonds and to effect savings to the Federal Government in administrative costs in connection with the procurement of such bonds.

With respect to the funds from which bond premiums are to be paid, the conference substitute provides that any such premium shall be paid from any funds available for the payment of administrative expenses at any time such premium becomes payable. This provi-

sion will afford necessary flexibility in entering into contracts for the purchase of surety bonds, including (among other matters) the advertising in advance for proposals and the negotiation of terms which are most advantageous to the Federal Government. Under this provision of the conference substitute, the head of a department or independent establishment in the executive branch, or the appropriate official in the legislative or judicial branch, could enter into a contract for the purchase of a bond in advance of the date on which the bond premium is to be paid. This provision will not, however, permit the avoidance of those laws relating to the obligation and expenditure of appropriated funds or to the incurring of deficiencies, or any other laws and procedures relating to appropriations. For example, it will not permit postponement of the payment of any premium to a fiscal year which begins later than the fiscal year in which such premium is due.

The conference substitute also contains a provision the purpose of which is to clarify the liability of old and new sureties during any changeover periods which occur, with respect to surety bonds, under the provisions of the conference substitute. Such provision is to the effect that whenever any civilian officer or employee or military personnel is covered by a surety bond under authority of the conference substitute, the surety or sureties on any existing surety bond of any such civilian officer or employee or military personnel shall not be liable for any defaults occurring subsequent to the date of the coverage of such officer, employee, or personnel by a new surety bond.

Another provision of the conference substitute relates to advertising for bids or proposals for the furnishing of bonds to the Federal Government under the conference substitute. The effect of such provision is to require the head of the executive department or independent establishment concerned, when in his opinion the procurement of any bond under the conference substitute will result in a premium cost to the Federal Government in excess of \$150 per annum, to advertise a reasonable time in advance of such procurement in order to obtain proposals for the furnishing of such bond. Advertising in advance to obtain proposals for the furnishing of such bond will not be required, however, in any case in which the public exigencies require the immediate procurement of such bond without such advertising.

In this connection, it should be noted that section 3609 of the Revised Statutes, as amended, contains, among other provisions, a requirement for advertising in advance for bids or proposals with respect to purchases and contracts for supplies or services for the Government if the amount involved in any case exceeds \$500, except when the public exigencies require immediate procurement, when there is only one source of supply, or when the services to be procured are personal in nature.

A further provision of the conference substitute provides a means for the Congress to conduct a thorough review and analysis of the operations of the departments and independent establishments of the Federal Government under the conference substitute.

Under such provision the Secretary of the Treasury is required to furnish the Congress with comprehensive reports of such operations. The first such report is to be submitted to the Congress on or before June 30, 1956—that is, 6 months after the effective date of the conference substitute. Thereafter, the Secretary of the Treasury will be

required to submit a report of such operations to the Congress by October 1 of each year, beginning with the year 1957. Each such report shall cover such operations during the preceding fiscal year. These reports will be referred to the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives.

The reports of the Secretary of the Treasury under the conference substitute shall include information, in summary and in detail, with respect to (1) the number of officers and employees in the executive branch covered by bonds procured under the conference substitute, (2) the number and types of such bonds and the penal sums thereof, and (3) the amounts of the premiums paid for such bonds. The reports also shall include such other information as may be necessary to enable the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives more effectively to perform the review function, with respect to this legislation, which is contemplated by section 136 of the Legislative Reorganization Act of 1946.

It is the intention of the committee of conference that, under the provisions of the conference substitute, the Secretary of the Treasury shall have full authority to require (in such cases as he deems necessary and appropriate to effect the orderly and efficient administration of the provisions of the conference substitute and to accomplish the purposes thereof) that the bonds (including representative types of bonds) obtained by the head of each department and independent establishment in the executive branch of the Federal Government shall be filed in the Department of the Treasury. It is not intended that all such bonds necessarily shall be required to be filed in the Department of the Treasury. It is intended, however, that there shall be filed in such department such bonds, or representative types of bonds, as the Secretary of the Treasury may deem necessary and appropriate to enable the Department of the Treasury to discharge its regular operating functions under the conference substitute and to determine whether bonds are being obtained and procured under the conference substitute in accordance with the regulations which the Secretary of the Treasury shall issue thereunder.

The committee calls attention to the fact that the conference substitute supersedes section 7803 (c) of the Internal Revenue Code of 1954, which provides that—

Whenever the Secretary or his delegate deems it proper, he may require any such officer or employee to furnish such bond, or he may purchase such blanket or schedule bonds, as the Secretary or his delegate deems appropriate. The premium of any such bond or bonds may, in the discretion of the Secretary or his delegate, be paid from the appropriation for expenses of the Internal Revenue Service.

Consultations were held with representatives of the Department of the Treasury, who agreed that such section 7803 (c) is superseded by reason of the enactment of the conference substitute. However, under the conference substitute, any blanket or schedule bond obtained by the Secretary of the Treasury or his delegate pursuant to such section 7803 (c), the term of which will expire after the date of enactment of the conference substitute, may, in accordance with such regulations as the Secretary of the Treasury may promulgate for the purpose, be continued in force until the expiration of such term.

The conference substitute for the most part is composed of amendments to title 6 of the United States Code, relating to official and penal bonds. The conference substitute amends the last sentence of section 6 of such title which now provides that—

No officer or person having the approval of any bond shall exact that it shall be furnished by a guaranty company or by any particular guaranty company.

Since such sentence is inconsistent with the purpose of the conference substitute, the effect of such amendment is to make such sentence inapplicable with respect to the conference substitute in order to give full effect to the new system for the procurement of bonds provided by the conference substitute.

In addition to making several technical amendments to title 6 of the United States Code to conform to the provisions of the conference substitute, the conference substitute further provides that its effective date shall be January 1, 1956.

With respect to the amendment of the Senate to the title of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment to such title set forth in the conference substitute which will reflect more accurately the provisions of the text of the conference substitute and that the Senate agree to the same.

Tom Murray,
J. H. Morrison,
Edward H. Rees,

Managers on the Part of the House.



\$1 an hour, effective March 1, 1956. Except for technical changes in language, this provision is the same as the House amendment.

ANNUAL REVIEW OF MINIMUM WAGE RATES IN PUERTO RICO AND THE VIRGIN ISLANDS

The Senate bill provided that minimum wage rates established under the act for Puerto Rico and the Virgin Islands shall be reviewed by an industry committee at least once each fiscal year. Under existing law, no such periodic review is required. The House bill contained no similar provision. The House recedes, and the provision is included as section 4 of the conference substitute.

ESTABLISHMENT OF MINIMUM WAGE RATES FOR PUERTO RICO AND THE VIRGIN ISLANDS

The Senate bill contained several provisions dealing with the establishment of minimum wage rates for Puerto Rico and the Virgin Islands. These included a provision changing the procedures for review by the Secretary of Labor of industry committee recommendations, and a provision for mandatory percentage increases in such minimum wage rates. The House amendment contained no such provisions. The conferees have agreed upon a substitute for these provisions, which is included as section 5 of the conference agreement.

This substitute eliminates the Secretary of Labor's authority (now vested in him by sec. 8 (d) of the act) to approve or disapprove industry committee recommendations. Section 8 (d) is amended to require that an industry committee file a report with the Secretary of Labor, containing findings of fact by the committee, along with its recommendations. When such report is filed with the Secretary the substitute amendment requires that he publish the committee's recommendations in the Federal Register. These recommendations will then become effective at the expiration of 15 days from the date of publication.

Section 8 (b) is amended to make certain that there will be notice and opportunity for hearings before an industry committee in its survey of wage rates for Puerto Rico and the Virgin Islands.

Section 10 (a) of the present law provides for court review of wage orders for Puerto Rico and the Virgin Islands. The substitute amendment changes the language of section 10 (a) to reflect the changes in the manner in which these Puerto Rican and Virgin Islands wage rates will become effective.

GRAHAM A. BARDEN,
AUGUSTINE B. KELLEY,
ADAM C. POWELL, Jr.,
SAMUEL K. McCONNELL, Jr.,
RALPH W. GWINN,
Managers on the Part of the House.

LEGISLATIVE PROGRAM

(Mr. MARTIN asked and was given permission to address the House for 1 minute.)

Mr. MARTIN. Mr. Speaker, I would like to ask the acting majority leader when the House will meet tomorrow and, if he knows, what the program will be.

Mr. ALBERT. It is planned to convene tomorrow at 11 o'clock.

Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order to call the Private and Consent Calendars and for the Speaker to recognize Members under suspension of the rules on Saturday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. I announce further that it is the plan to call up the Private Calendar first on Saturday.

INDIAN LANDS

Mr. ENGLE submitted the following conference report and statement on the bill (S. 34) to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases:

CONFERENCE REPORT (H. REPT. NO. 1562)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 34) to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill, and agree to the same with an amendment as follows: In lieu of the matter inserted by the House amendment insert the following: "That any restricted Indian lands, whether tribally or individually owned, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for public, religious, educational, recreational, residential, or business purposes, including the development or utilization of natural resources in connection with operations under such leases, for grazing purposes, and for those farming purposes which require the making of a substantial investment in the improvement of the land for the production of specialized crops as determined by said Secretary. All leases so granted shall be for a term of not to exceed twenty-five years, excepting leases for grazing purposes, which shall be for a term of not to exceed ten years. Leases for public, religious, educational, recreational, residential, or business purposes with the consent of both parties may include provisions authorizing their renewal for one additional term of not to exceed twenty-five years, and all leases and renewals shall be made under such terms and regulations as may be prescribed by the Secretary of the Interior.

"SEC. 2. Restricted lands of deceased Indians may be leased under this Act, for the benefit of their heirs or devisees, in the circumstances and by the persons prescribed in the Act of July 8, 1940 (54 Stat. 745; 25 U. S. C., 1946 edition, sec. 380, as amended): *Provided*, That if the authority of the Secretary under this section is delegated to any subordinate official, then any heir or devisee shall have the right to appeal the action of any such official to the Secretary under such rules and regulations as he may prescribe.

"SEC. 3. The Act of March 3, 1909 (35 Stat. 783; 25 U. S. C. 396) is amended by inserting before the period at the end thereof the following proviso: '*Provided*, That if the said allottee is deceased and the heirs to or devisees of any interest in the allotment

have not been determined, or, if determined, some or all of them cannot be located, the Secretary of the Interior may offer for sale leases for mining purposes to the highest responsible qualified bidder, at public auction, or on sealed bids, after notice and advertisement, upon such terms and conditions as the Secretary of the Interior may prescribe. The Secretary of the Interior shall have the right to reject all bids whenever in his judgment the interests of the Indians will be served by so doing, and to readvertise such lease for sale'.

"SEC. 4. No rent or other consideration for the use of land leased under this Act shall be paid or collected more than one year in advance, unless so provided in the lease.

"SEC. 5. The Secretary of the Interior shall approve no lease pursuant to this Act that contains any provision that will prevent or delay a termination of Federal trust responsibilities with respect to the land during the term of the lease.

"SEC. 6. Nothing contained in this Act shall be construed to repeal any authority to lease restricted Indian land conferred by or pursuant to any other provision of law."

And the Senate agree to the same.

That the House recede from its amendment to the title of the bill.

CLAIR ENGLE,
JAMES A. HALEY,
STEWART L. UDALL,
E. Y. BERRY,
JOHN J. RHODES,
Managers on the Part of the House.

JOSEPH C. O'MAHONEY,
CLINTON P. ANDERSON,
RICHARD L. NEUBERGER,
ARTHUR V. WATKINS,
BARRY GOLDWATER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 34) authorizing the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to the amendments to the text and title of the bill:

Section 1: As originally approved by the Senate, section 1 of S. 34 provided for the lease by the Indian owners of any restricted Indian lands, whether tribally or individually owned, for public, religious, educational, recreational, residential, or business purposes, including the development or utilization of natural resources in connection with operations under such leases, and for those farming purposes which require the making of a substantial investment in the improvement of the land for the production of specialized crops as determined by the Secretary of the Interior; all leases would be subject to the approval of the Secretary of the Interior.

The original Senate version provided for a lease term of not to exceed 25 years for all leases, but made provision that leases for public, religious, educational, recreational, residential, or business purposes could include provisions authorizing their renewal—with the consent of both parties—for an additional term of not to exceed 25 years.

The House version of S. 34 would have permitted leases for all purposes and would have permitted inclusion of provisions authorizing renewal thereof—with the consent of both parties—for 1 additional term of not to exceed 25 years.

The conference committee has reached agreement with respect to section 1 as follows:

The language of the Senate version which permits leases for the purposes specified has been amended to permit leases for grazing purposes. All leases granted, except grazing leases, shall be for a term of not to exceed 25 years, but leases for public, religious, educational, recreational, residential, or business purposes—with the consent of both parties—may include provisions authorizing their renewal for 1 additional term of not to exceed 25 years. Grazing leases under the language agreed upon shall be for a term of not to exceed 10 years with no authority for including a renewal provision in such initial 10-year lease.

The conference committee is in agreement that authority for grazing leases for the limited period indicated may serve to encourage attraction of private loans for grazing purposes.

Section 2: The Senate conferees have agreed to the House amendment to section 2 of S. 34. This amendment, in the form of a proviso, provides that if the authority of the Secretary to lease restricted lands of deceased Indians for the benefit of their heirs or devisees is delegated to any subordinate official, then any heir or devisee shall have the right to appeal from the action of the official to whom the Secretary's authority has been delegated. The conference committee is in agreement that this basic right of appeal, comparable to the right of non-Indians to appeal to a district court from the decision of a court having probate jurisdiction, should be preserved to the heirs or devisees of deceased Indians.

The balance of the amendment to the text of the bill contains language upon which there was no disagreement.

Title amendment: The managers on the part of the House have agreed to the Senate title language, which accurately reflects the language incorporated in section 1 by the conference committee.

CLAIR ENGLE,
JAMES A. HALEY,
STEWART L. UDALL,
E. Y. BERRY,
JOHN J. RHODES,

Managers on the Part of the House.

BRIG. GEN. EDWIN B. HOWARD

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 325, Rept. No. 1564), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1271) to authorize the appointment in a civilian position in the Department of Justice of Brig. Gen. Edwin B. Howard, United States Army, retired, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

MAJ. GEN. FRANK H. PARTRIDGE

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 324, Rept. No. 1563),

which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1272) to authorize the appointment in a civilian position in the Department of Justice of Maj. Gen. Frank H. Partridge, United States Army, retired, and for other purposes. After general debate which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

HOUSING AMENDMENTS OF 1955

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 326, Rept. No. 1565), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2126) to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read and after the reading of the first section of such bill it shall be in order to move to strike out all after the enacting clause and insert as a substitute the text of the bill H. R. 7473, and all points of order against such substitute and the committee amendments printed in the bill S. 2126 are hereby waived. At the conclusion of the consideration of the bill S. 2126, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

TO STRENGTHEN AND IMPROVE THE ORGANIZATION OF THE DEPARTMENT OF STATE

Mr. DELANEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 327, Rept. No. 1566) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2237) to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes, and all points of order against such

bills are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Foreign Affairs now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

BONDING OF CIVILIAN AND MILITARY PERSONNEL OF FEDERAL GOVERNMENT

Mr. MURRAY of Tennessee submitted the following conference report and statement on the bill (H. R. 4778) to provide for the purchase of bonds to cover employees and officers of the Government:

CONFERENCE REPORT (H. REPT. NO. 1568)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4778) entitled "An act to provide for the purchase of bonds to cover officers and employees of the Government," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That section 14 of title 6 of the United States Code is amended to read as follows:

"§ 14. Purchase of Bonds to Cover Officers and Employees of the Federal Government

"(a) Subject to subsection (b) of this section, the head of each department and independent establishment in the executive branch of the Federal Government shall obtain, under regulations which shall be promulgated by the Secretary of the Treasury, blanket, position schedule, or other types of surety bonds covering the civilian officers and employees and military personnel of such department or independent establishment who are required by law or administrative ruling to be bonded. The appropriate officials of the legislative and judicial branches of the Federal Government may obtain any or all of such types of surety bonds covering such officers and employees under their respective jurisdictions as such officials may deem appropriate to be bonded. Each bond obtained under this section shall be of the most economical type available for the number and type of personnel to be bonded and shall be conditioned upon the faithful performance of the duties of the individual or individuals so bonded. The bond premium may cover a period not exceeding two years and shall be paid from any funds available for the payment of administrative expenses at the time such premium becomes payable. Whenever any civilian officers or employees or military personnel are covered by a bond

under authority of this section, the surety or sureties on any existing bond of any such civilian officers or employees or military personnel shall not be liable for any defaults occurring subsequent to the date of the new coverage. For purposes of this section, the term "faithful performance of the duties" shall include the proper accounting for all funds or property received by reason of the position or employment of the individual or individuals so bonded and all duties and responsibilities imposed upon such individual or individuals by law or by regulation issued pursuant to law.

"(b) If, in the opinion of the head of the department or independent establishment concerned, the premium cost for any bond procured under this section covering officers or employees in the executive branch of the Federal Government will exceed the rate of \$150 per annum, the procurement of such bond shall be made by the head of such department or independent establishment only after advertising a sufficient time previously for proposals for the furnishing of such bond, except that such advertising for proposals shall not be required when the public exigencies require the immediate procurement of such bond.

"(c) The Secretary of the Treasury shall transmit to the Congress, on or before June 30, 1956, a comprehensive report of the operations of the departments and independent establishments under this section. Thereafter, the Secretary of the Treasury shall transmit to the Congress on or before October 1 of each year, beginning with the year 1957, a comprehensive report of such operations during the preceding fiscal year. Such report shall include, among other matters, information, in summary and in detail, with respect to operations under this section, setting forth—

"(1) the number of officers and employees covered by bonds procured under this section,

"(2) the number and types of bonds procured under this section and the individual penal sums thereof,

"(3) the amounts of the premiums paid for bonds procured under this section, and

"(4) such other information as may be necessary to enable the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives to determine the results of operations under this section. The reports submitted by the Secretary of the Treasury under this section shall be delivered to the President of the Senate and to the Speaker of the House of Representatives (or to the Clerk of the House and the Secretary of the Senate, respectively, if the Congress is not in session) on the same day, and shall be referred to the Committee on Post Office and Civil Service of each House.'

"SEC. 2. The last sentence of section 6 of title 6 of the United States Code is amended to read as follows: 'Except with respect to bonds obtained under section 14 of this title, no officer or person having the approval of any bond shall require that such bond shall be furnished by a guaranty company or by any particular guaranty company.'

"SEC. 3. The analysis of title 6 of the United States Code, immediately preceding section 1 of such title, is amended by striking out the item

"14. Rate of premium on bond; premiums not to be paid by United States."

and inserting in lieu thereof the following:

"14. Purchase of bonds to cover officers and employees of the Federal Government.'

"SEC. 4. The amendments made by this Act shall take effect on January 1, 1956."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the

title of the bill and agree to the same with an amendment as follows:

In lieu of the amended title proposed by the Senate amendment, amend the title so as to read: "An Act to provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government."

And the Senate agree to the same.

TOM MURRAY,
J. H. MORRISON,
EDWARD H. REES,

Managers on the Part of the House.

OLIN D. JOHNSTON,
MATTHEW M. NEELY,
FRANK CARLSON,

Managers on the Part of the Senate.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4778) entitled "An act to provide for the purchase of bonds to cover officers and employees of the Government" submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendments struck out all of the House bill after the enacting clause and inserted a substitute text and provided a new title for the House bill.

With respect to the amendment of the Senate to the text of the House bill, the committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the text of the House bill and the text provided by the Senate amendment and that the Senate agree to the same.

The House bill related to the purchase of bonds to cover postmasters, officers, and employees of the Post Office Department and mail clerks in the armed services and in the United States Coast Guard. The Senate amendment related to the purchase of bonds to cover civilian officers and employees and military personnel of each department and independent establishment in the executive branch of the Federal Government, including the government of the District of Columbia, and officers and employees in the legislative and judicial branches of the Federal Government.

Except for technical and minor drafting changes, the differences between the texts of the House bill, the Senate amendment, and the conference substitute are explained below.

The House bill authorized the Postmaster General to purchase certain types of bonds to cover any or all postmasters, officers, and employees of the Post Office Department and mail clerks in the armed services and in the United States Coast Guard required by law or administrative determination to be bonded. Under the House bill, such purchase of bonds was authorized to be made, under regulations to be prescribed by the Postmaster General, whenever the Postmaster General determined that such purchase would be in the best interests of the Federal Government. The types of bonds so authorized to be purchased were such blanket, position schedule, or other type of surety bonds as the Postmaster General deemed appropriate to cover those individuals required to be bonded. Payment for such bonds was to be made from appropriations or other funds available to the Post Office Department.

The House bill further provided (1) that the premiums on any such bonds could cover periods of not to exceed 4 years, (2) that the bonds should contain such conditions and be in such penalty as the Postmaster General deemed necessary to protect the interests of the Federal Government, and (3) that nothing contained in the House bill

should operate to relieve any postmaster, officer, employee, or mail clerk or his surety from any liability otherwise imposed by law.

The Senate amendment required the head of each department and independent establishment in the executive branch of the Federal Government and in the municipal government of the District of Columbia to obtain blanket, position schedule, or other type of surety bonds to cover civilian officers and employees and military personnel thereof who are required by law or administrative ruling to be bonded. The Senate amendment also authorized the appropriate officials of the legislative and judicial branches of the Federal Government in their discretion to obtain any or all of the above-mentioned types of surety bonds to cover officers and employees under their respective jurisdictions.

The Senate amendment further provided that each bond should be of the most economical type available for the number and type of personnel required to be bonded. The Senate amendment also provided that the bond premium might cover a period not exceeding 2 years and that such premium should be paid from any funds available for the payment of administrative expenses at the time such premium becomes payable.

A further provision of the Senate amendment was to the effect that if, in the opinion of the head of the department or independent establishment concerned, the premium cost for any bond procured under authority of the Senate amendment covering officers and employees in the executive branch of the Federal Government would exceed a rate of \$250 per annum, the procurement of such bond would be required to be made through the Administrator of General Services when so required by him pursuant to section 302 of the Federal Property and Administrative Services Act of 1949 (41 U. S. C., sec. 252).

The Senate amendment was to become effective 60 days after the date of its enactment.

The conference substitute provides, in general, (1) for the mandatory purchase of surety bonds to cover civilian officers and employees and military personnel of each department and independent establishment in the executive branch of the Federal Government (not including the government of the District of Columbia) who are required to be bonded by law or by administrative decision, and (2) for the discretionary purchase of surety bonds to cover those officers and employees in the legislative and judicial branches of the Federal Government with respect to whom the appropriate officials of the legislative and judicial branches deem it advisable to require the purchase of surety bonds.

With respect to the executive branch, the conference substitute provides that the head of each department and independent establishment shall obtain and procure blanket, position schedule, or other types of surety bonds to cover those civilian officers and employees and military personnel of such department or establishment who are required by law or administrative ruling to be bonded. It is required that such bonds shall be obtained and procured under and in conformity with regulations which the Secretary of the Treasury is required to prescribe and issue under the provisions of the conference substitute.

With respect to the legislative and judicial branches, the conference substitute provides that the appropriate officials of those branches may obtain and procure, in their discretion, blanket, position schedule, or other types of surety bonds to cover those officers and employees under their respective jurisdictions as such officials may deem it necessary or advisable to cover by surety bonds. It may be noted that the above-mentioned regulations prescribed and issued by the Secretary of the Treasury will not be ap-

plicable with respect to the legislative and judicial branches of the Federal Government.

The conference substitute further provides that each surety bond obtained and procured, under the provisions of the conference substitute, to cover personnel in the executive, legislative, and judicial branches of the Federal Government, shall be "of the most economical type available for the number and type of personnel to be bonded." It is not the intent of this provision that a bond or bonds obtainable at the lowest premium rate per annum shall constitute in all cases a bond of the "most economical type." Such would seem to be the case as a general rule, all other factors and considerations being equal. However, in many cases, variations in such factors and considerations as differences in the relative financial standing and reliability of the surety, the terms of the respective surety bond contracts available, and the number and types of personnel to be bonded may require, in the interests of the Federal Government other than in the strictly financial sense, the purchase of such bonds at premium rates per annum which are higher than the lowest premium rates per annum actually obtainable. The above-discussed provision of the conference substitute will permit this result.

The conference substitute further provides that each bond obtained and procured, under the provisions of the conference substitute, shall be conditioned upon the "faithful performance of the duties" of the individual or individuals so bonded. The conference substitute elaborates upon the meaning of such quoted words, as an aid to the administration of the conference substitute, by providing that the term "faithful performance of the duties" shall include, for purposes of the conference substitute, (1) the proper accounting for all funds or property received by reason of the position or employment of the individual or individuals so bonded and (2) all duties and responsibilities imposed upon such individual or individuals by law or by regulation issued pursuant to law.

The conference substitute also authorizes the payment of any bond premium to cover a period of not in excess of 2 years. Existing law, however, limits any such payment to a period not in excess of 1 year. Therefore, the operation of this provision of the conference substitute, together with existing law, makes possible the payment of a bond premium to cover either a period not in excess of 1 year or a period not in excess of 2 years, whichever is determined to be the more advantageous to the Federal Government. No bond premium, however, may cover a period in excess of 2 years. The purposes of this provision of the conference substitute are to secure the advantage of more favorable premium rates on surety bonds and to effect savings to the Federal Government in administrative costs in connection with the procurement of such bonds.

With respect to the funds from which bond premiums are to be paid, the conference substitute provides that any such premium shall be paid from any funds available for the payment of administrative expenses at any time such premium becomes payable. This provision will afford necessary flexibility in entering into contracts for the purchase of surety bonds, including (among other matters) the advertising in advance for proposals and the negotiation of terms which are most advantageous to the Federal Government. Under this provision of the conference substitute, the head of a department or independent establishment in the executive branch, or the appropriate official in the legislative or judicial branch, could enter into a contract for the purchase of a bond in advance of the date on which the bond premium is to be paid. This provision will not, however, permit the avoidance of those laws relating to the obligation and expenditure of appropriated funds

or to the incurring of deficiencies, or any other laws and procedures relating to appropriations. For example, it will not permit postponement of the payment of any premium to a fiscal year which begins later than the fiscal year in which such premium is due.

The conference substitute also contains a provision the purpose of which is to clarify the liability of old and new sureties during any changeover periods which occur, with respect to surety bonds, under the provisions of the conference substitute. Such provision is to the effect that whenever any civilian officer or employee or military personnel is covered by a surety bond under authority of the conference substitute, the surety or sureties on any existing surety bond of any such civilian officer or employee or military personnel shall not be liable for any defaults occurring subsequent to the date of the coverage of such officer, employee, or personnel by a new surety bond.

Another provision of the conference substitute relates to advertising for bids or proposals for the furnishing of bonds to the Federal Government under the conference substitute. The effect of such provision is to require the head of the executive department or independent establishment concerned, when in his opinion the procurement of any bond under the conference substitute will result in a premium cost to the Federal Government in excess of \$150 per annum, to advertise a reasonable time in advance of such procurement in order to obtain proposals for the furnishing of such bond. Advertising in advance to obtain proposals for the furnishing of such bond will not be required, however, in any case in which the public exigencies require the immediate procurement of such bond without such advertising.

In this connection, it should be noted that section 3609 of the Revised Statutes, as amended, contains, among other provisions, a requirement for advertising in advance for bids or proposals with respect to purchases and contracts for supplies or services for the Government if the amount involved in any case exceeds \$500, except when the public exigencies require immediate procurement, when there is only one source of supply, or when the services to be procured are personal in nature.

A further provision of the conference substitute provides a means for the Congress to conduct a thorough review and analysis of the operations of the departments and independent establishments of the Federal Government under the conference substitute.

Under such provision the Secretary of the Treasury is required to furnish the Congress with comprehensive reports of such operations. The first such report is to be submitted to the Congress on or before June 30, 1956—that is, 6 months after the effective date of the conference substitute. Thereafter, the Secretary of the Treasury will be required to submit a report of such operations to the Congress by October 1 of each year, beginning with the year 1957. Each such report shall cover such operations during the preceding fiscal year. These reports will be referred to the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives.

The reports of the Secretary of the Treasury under the conference substitute shall include information, in summary and in detail, with respect to (1) the number of officers and employees in the executive branch covered by bonds procured under the conference substitute, (2) the number and types of such bonds and the penal sums thereof, and (3) the amounts of the premiums paid for such bonds. The reports also shall include such other information as may be necessary to enable the Committee on Post Office and Civil Service of the Senate and

the Committee on Post Office and Civil Service of the House of Representatives more effectively to perform the review function, with respect to this legislation, which is contemplated by section 136 of the Legislative Reorganization Act of 1946.

It is the intention of the committee of conference that, under the provisions of the conference substitute, the Secretary of the Treasury shall have full authority to require (in such cases as he deems necessary and appropriate to effect the orderly and efficient administration of the provisions of the conference substitute and to accomplish the purposes thereof) that the bonds (including representative types of bonds) obtained by the head of each department and independent establishment in the executive branch of the Federal Government shall be filed in the Department of the Treasury. It is not intended that all such bonds necessarily be required to be filed in the Department of the Treasury. It is intended, however, that there shall be filed in such department such bonds, or representative types of bonds, as the Secretary of the Treasury may deem necessary and appropriate to enable the Department of the Treasury to discharge its regular operating functions under the conference substitute and to determine whether bonds are being obtained and procured under the conference substitute in accordance with the regulations which the Secretary of the Treasury shall issue thereunder.

The committee calls attention to the fact that the conference substitute supersedes section 7803 (c) of the Internal Revenue Code of 1954, which provides that—

"Whenever the Secretary or his delegate deems it proper, he may require any such officer or employee to furnish such bond, or he may purchase such blanket or schedule bonds, as the Secretary or his delegate deems appropriate. The premium of any such bond or bonds may, in the discretion of the Secretary or his delegate, be paid from the appropriation for expenses of the Internal Revenue Service."

Consultations were held with representatives of the Department of the Treasury, who agreed that such section 7803 (c) is superseded by reason of the enactment of the conference substitute. However, under the conference substitute, any blanket or schedule bond obtained by the Secretary of the Treasury or his delegate pursuant to such section 7803 (c), the term of which will expire after the date of enactment of the conference substitute, may, in accordance with such regulations as the Secretary of the Treasury may promulgate for the purpose, be continued in force until the expiration of such term.

The conference substitute for the most part is composed of amendments to title 6 of the United States Code, relating to official and penal bonds. The conference substitute amends the last sentence of section 6 of such title which now provides that—

"No officer or person having the approval of any bond shall exact that it shall be furnished by a guaranty company or by any particular guaranty company."

Since such sentence is inconsistent with the purpose of the conference substitute, the effect of such amendment is to make such sentence inapplicable with respect to the conference substitute in order to give full effect to the new system for the procurement of bonds provided by the conference substitute.

In addition to making several technical amendments to title 6 of the United States Code to conform to the provisions of the conference substitute, the conference substitute further provides that its effective date shall be January 1, 1956.

With respect to the amendment of the Senate to the title of the House bill, the

committee of conference recommends that the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment to such title set forth in the conference substitute which will reflect more accurately the provisions of the text of the conference substitute and that the Senate agree to the same.

TOM MURRAY,
J. H. MORRISON,
EDWARD H. REES,

Managers on the Part of the House.

AMENDING AND EXTENDING THE SUGAR ACT OF 1948

Mr. TRIMBLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 328, Rept. No. 1567) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, and all points of order against such bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Agriculture now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

ANSWERING REPRESENTATIVE REECE OF TENNESSEE ON T. K. QUINN

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, I have, only this week, had my attention called to Representative CARROLL REECE's rather lengthy remarks about me which appeared in the CONGRESSIONAL RECORD on June 16, 1955, and to which Representative REECE referred on June 29, saying, "I exposed the philosophy of T. K. Quinn."

Since my philosophy is constantly developing with greater experience, new events, and more study and reflection, it may be premature to say that my philosophy has been fully exposed, even to myself. However, Representative REECE's remarks have occasioned me to review some of my writings over the years, and I think that my expressions have not been as inconsistent as Representative REECE has been led to think.

In any case I find a great deal of similarity of thinking in my first book written some 15 years ago, my more recent book titled "Giant Business Threat to Democracy," and my new book, Reign of the Painted White Elephants, which is to be published this fall.

The subjects of mergers, monopoly, giant corporations, and concentrated economic power overflowing into the political field need much more airing than they are getting from the press, which is dangerously dependent on the advertising dollars of the giants. The country needs more light and clarification. We are in a critical period involving the organization of our society, the preservation of small and independent business and of our revered democratic institutions.

Representative REECE's unflattering appraisal of me is in the main based upon two charges: First, an old, and I think unfounded, charge concerning my work with the War Production Board; and, second, a charge that my position concerning giant business has been inconsistent over the years.

The charge concerning my WPB record rests upon an old statement made by former Congressman JERRY VOORHIS, which Mr. VOORHIS was later kind enough to state was made on misinformation. I quote a letter from Mr. VOORHIS to me dated July 5, 1955, as follows:

Mr. T. K. QUINN,
New York, N. Y.

DEAR MR. QUINN: It is with profound regret and great alarm that I learned of the attack made upon you and your fine record of service to the American people in the House of Representatives recently. I am certain that the Congressman who made these remarks did so out of misinformation and it is a source of profound regret to me that an old extension of remarks of my own apparently contributed to that misinformation.

I believed very strongly during the war period, as I do today, that the system of having the Government employ the services of outstanding individuals on a so-called dollar-a-year basis is wrong. I think the Government should pay people in all cases a salary reasonably commensurate with what they are worth. I was frankly concerned about this problem during the war period.

On one occasion a man in whom I had great confidence came to me with certain information respecting the publication of a new manual on management-labor relations. This man, mistakenly as I now know, felt that there was something improper about your publishing this book and promoting its sale while you were serving as a War Production Board executive. As you know, I included this material furnished by this man in an extension of my remarks published in the CONGRESSIONAL RECORD and I have regretted that I ever did so.

I feel it is inexcusable that I did not telephone you first to ascertain the full facts. Had I done so I would have found that your whole purpose in the publication of this manual was to try to carry over into peacetime some of the harmonious relationships between management and labor which had developed during the war period. I would have found out that you were devoting any receipts over and above the actual costs of publication of this manual to contributions to the Red Cross and it was therefore quite impossible for you to derive any personal profit or advantage from this undertaking.

I am writing this letter in the hope that it may in some measure correct the RECORD and also to express my very sincere regard for you

as a person and as a leader of American thought.

Sincerely yours,

JERRY VOORHIS,
Executive Director.

With respect to my work with the War Production Board, I worked wholeheartedly for labor-management peace and the successful outcome of the war, with no political or other ambitions whatever. When the war was over, hoping to preserve something of the constructive relationships we had developed and to avoid the postwar labor troubles which I foresaw, I sought to have printed the results of our work. There was no appropriation, and I therefore printed a manual at my own expense. First, however, I took the manuscript to John Lord O'Brian, the WPB counsel, pointing out to him an opening paragraph in which I explained that if the proceeds of the manual exceeded its cost the balance would be donated to the American Red Cross. If there was a loss I was obliged to absorb it, and I did. Mr. O'Brian's advice was, "Since you are bent upon doing good, go ahead; you will get hell anyway." A wise man.

In marked contrast to Mr. REECE's impression of my work, Mr. Donald Nelson, the able Chief of the War Production Board, has the following to say in his book, Arsenal of Democracy, page 327:

In June 1943, T. K. Quinn, president of Maxon, Inc., a national advertising agency, resigned his position to become a dollar-a-year Director General of the War Production Drive. He was at one time vice president of General Electric and chairman of the GE Finance Corp., which he organized. Ted enlarged the division, reorganized procedures, published a weekly paper for war plants, conducted specific industry campaigns, and widely publicized the drive. Under his supervision the number of committees in successful operation was raised from 2,000 to more than 5,000 by the fall of 1944.

Mr. REECE's charge of inconsistency in my writings over the years rests upon his belief that my earlier writings condoned all aspects of big business and that my later writings have been an attack upon all aspects of big business. And there is a suggestion left that I have done this about-face "because some were successful and his Monitor corporation was not, the system is at fault." Actually I think that the book of mine from which Mr. REECE's remarks quote extensively, a book titled "Liberty, Employment, and No More Wars," is not inconsistent, but supports to a surprising degree many of my present views. Here, for example, are some quotations from that book which were apparently not called to Mr. REECE's attention. They express considerable concern over centralized economic power and indicate that at that time I held beliefs which were just the opposite to those suggested by extracts which the gentleman from Tennessee [Mr. REECE] has quoted from this same book.

On page 52:

Centralization is evil. Now the evil in all these instances is centralization itself, whoever practices it. Centralization is evil because it is essentially inhuman. It impersonalizes, disregards the individual and undertakes by remote regulation to control

human situations which it never sees, feels, nor understands. Any vaunted "efficiency" which it claims can be attained only at the cost and sacrifice of human values.

On page 53:

Centralization of power and authority elsewhere whether political or economic always takes from the individual something of strength and character which is vital to his existence as a self-reliant, free man. It is basically un-American regardless of the form of the transfer. Any kind of remote control amounts to slavery or subordination which much always be repugnant to those for whom liberty is the very breath of life itself. Those who lose their freedom lose what is strongest and noblest in them.

On page 54:

Let Americans serve notice upon the separate groups, upon unionists, farm blocs, employers, social planners, and all of the ism adherents, that if there actually had to be any all-powerful, all-controlling factor in this country why, of course, we much prefer that it be a strong Government, responsible to all of the people. For at least we still have a vote, all of us, in determining its personnel and conduct and we all have a Constitution to protect the rights of minorities and keep our national train on its all-for-one and one-for-all track. All other group rulership is lawless because it represents only its selfish interest and is therefore intolerable to the people as a whole.

On page 57:

In this book I am primarily interested in pointing the way through a new American decentralization and teamwork toward the objectives which we can and must meet without trying to blueprint the future. We must not expect to have a world or a society that is much better than the people in it, and better people is the first hurdle, as Justice Holmes explained years ago. But the people we have are generally better than we think they are. One of the great difficulties is that the very best of them are not the acquisitive, aggressive, selfish, praise-loving, power-seeking people so often found in many political and economic high places. In the very nature of our limited competition those whom society so noisily rewards for pushing their way into notice and position often stand consciously or unconsciously in the way of progress. Had they been more considerate and generous they might never have attained this eminence. The cause of the greatest number may have to be advanced in spite of some of them.

All of this, representing the heart of what I undertook to say, is entirely consistent with everything I have ever said and still believe. In this same old book I also went on to show that unrestricted competition will not work to the best interests of society.

On page 87:

In passing, I must point a finger of moral and social disapproval at those corporations which, having established themselves in some one industrial field, take advantage of their financial positions to move into unrelated lines, where they contribute nothing and often cut prices ruinously. The wanton, adroit method is to go after the cream or easy-picking in the other field. Thus the position gained in one industrial line enables a large competitor to become a destructive raider in another.

In order to understand my writings on the problems raised by giant business firms, it is important to recognize the difference between a \$10 million, \$100 million, and billion or multibillion dollar business. I have never opposed neces-

sary big business. A corporation can be a national asset and still be dangerous. Up to a point, size is essential to genuine efficiency and I say so in several of Mr. Reece's selections. There are indeed techniques of production that require a certain minimum volume. Bigness does make for efficiency—up to a point. But this does not begin to justify United States Steel's combination of 149 other corporations. It does not justify \$10 billion General Motors being in the clothes washing machine business or General Electric's ownership of a steel mill among some 90 other corporations. Nor does it justify outright, financial monsterism arranged solely for purposes of capital power and market domination contrary to every tenet of American economic freedom and opportunity.

I do now and always have favored constructive competition of the kind which the giants are now throttling. But not all competition is constructive. Without fair and reasonable governmental restrictions—which he opposes—competition can lead to the elimination of all but a few giants. Do we need anything more than a mere reference to the automobile industry to prove the point? There are only 5 producers left and 2 of them are in mortal danger. Competition is not a God. The Government should act to prevent the bankruptcy of American Motors and Studebaker-Packard when the time comes.

It becomes just a little more difficult to understand that monopoly, on the other hand, is also intolerable. Thus unrestricted competition and monopoly have a polarity. In large areas of our economy price competition has been eliminated, along with free enterprise and open opportunity. Mr. Benjamin Fairless admitted to the Senate, Fulbright Committee this year that there is no price competition in the steel industry. After the recent wage increases the price of steel was increased by \$7.50 a ton and by all of the producers. No one announced a \$7 increase or a \$7.25 increase but an identical \$7.50 increase by all, in unison. Similar price conditions prevail in many other industries which have crowded free enterprise and even constructive competition to the wall. What we actually have in America today is not a system of free enterprise as is so often misrepresented. We have a partially managed and partially free economy.

With respect to certain other allegations, I should explain that efficiency has a narrow and also a broad social meaning. What is good for General Motors may be bad for the country, Mr. Wilson to the contrary notwithstanding. It does not answer my assertion that General Motors used its power to secure more than its share of postwar steel, for example, by presenting figures that in the years from 1946 to 1950—years of steel shortage—General Motors increased its share of the passenger car market from 38 percent to 46 percent. That is precisely my point. The corporation was not only able to increase its proportion of automobile passenger business, but also its other metal production business, in many instances to the

disaster of its helpless rivals. It has loaned million to preempt steel supplies.

Broadly, giant business has not shrouded its social responsibility since the war. Instead, it has fought minimum hours and fair wages—purchasing power—social security, intelligent planning, and in fact, most of the progressive measures. At the same time it opposed all price controls and in many instances exacts enormous profits. I should say now that it must pay in taxes for what it has by default required the Government to undertake. Largely through the expansion of private and public credit, business has kept booming and will, but for how long we do not know. These are new conditions subsequent to my early book. My viewpoint here has changed with new developments. I still believe that a man of outstanding ability has a greater potential in a big business or a big country than in a small one, thinking only in terms of business, and provided you can find him and help him to develop. But in monster corporations he is lost. Moreover, the constant absorptions and mergers by giant corporations, particularly since the war and in the past 3 years, is decreasing proportionately the number of top jobs so that today even college graduates and white-collar men can look forward only to subordinate positions—see my new October 1955 book, *Reign of the Painted White Elephants*.

I have always believed that giant corporations should not be broken up "regardless of manufacturing costs and efficiencies." On the other hand, giant corporations are not always organized today wholly on the basis of efficiency; nor do I believe, as the gentleman from Tennessee [Mr. REECE] seems to argue, that the antitrust laws have been effective. I would have to say, "Look around you at the giant mergers and combinations and the combinations of combinations which both the Sherman law and the Clayton Act were intended to prevent. How many mergers are being prevented today under the present undeclared open season?" There have been thousands of them in the industrial field, and the banks have so merged that today only 10 of them have 46 percent of the total deposits. Giant corporations are reaching out in all directions for purely market power, excessive profits, and dominating capital positions, and they have entirely too much political as well as economic power.

RESERVE BILL

(Mr. PHILBIN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PHILBIN. Mr. Speaker, on yesterday I presented some views on the Military Reserve bill recently adopted by the House.

This morning in the New York Times, Mr. Hanson W. Baldwin, noted military authority of that celebrated publication, presented a very penetrating analysis of this measure.

It is to be observed that Mr. Baldwin touched upon most of the points which

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate passed bills to increase CCC borrowing authority, permit sale of CCC cotton at market prices, authorize relief of accountable officers, and retire Government capital in certain FCA institutions. House passed bills to continue housing program, increase annuities of retired employees, permit ACP payments on certain Federal lands and for water conservation, strengthen Perishable Agricultural Commodities Act, provide penalties for false grade markings, facilitate farm loans, consolidate experiment stations authorizations, authorize increased CEA fees, expand Trade Development Act, authorize additional extension work, extend Defense Production Act, extend sugar program, authorize national forest townsites, authorize fund advances for forest research, amend tobacco and rice allotments-quotas laws, increase pay of major officials, provide retirement credit for certain State service. Both Houses agreed to conference reports on supplemental appropriation bill and bill to purchase employee bonds. House agreed to conference reports on bills to extend Mexican farm labor program, authorize distribution of flour and meal to needy, and authorize study of Alaska water resources. Senate debated measure to increase contributions to FAO. Senate committee reported bill to increase pay of major officials. House committee reported bill to provide loans for central markets. Sen. Johnston objected to cotton exports at reduced prices. Sen. Symington criticized administration of farm program.

SENATE - July 29

1. CCC BORROWING POWER. Passed without amendment S. 2604, to increase the borrowing power of CCC from \$10 billion to \$12 billion (pp. 10541-3).
2. CCC COTTON. Passed as reported S. 2446, to permit sale of CCC cotton stocks that are in excess supply for unrestricted use at current market prices (p. 10548).
Sen. Johnston read a news item stating that this Department has apparently abandoned for the time being plans to offer U. S. cotton abroad at reduced prices, spoke against such plans, and stated that the Agriculture and Forestry Committee will study this subject during the recess. Sen. Humphrey concurred in Sen. Johnston's statement. (p. 10516.)
3. LEGISLATIVE APPROPRIATION BILL, 1956. Passed with amendments this bill, H. R. 7117, which includes funds for GPO and the Library of Congress (pp. 10349-60). Agreed to an amendment by Sen. Humphrey to add \$50,000 for the Commission on Government Security (p. 10353). Sen. Robertson said Congress has made progress toward a balanced budget and inserted a table showing action on the various appropriation bills (pp. 10358-9). Senate and House conferees were appointed (pp. 10360, 10444).
4. BONDING EMPLOYEES. Agreed to the conference report on H. R. 4778, to provide for purchase of bonds to cover Government employees (p. 10386).
5. MINIMUM WAGE. Agreed to the conference report on S. 2168, to increase the minimum wage, under the Fair Labor Standards Act, to \$1 per hour, effective Mar. 1, 1956 (pp. 10546-7).
6. PERSONNEL. The Post Office and Civil Service Committee reported with amendments S. 2628, to increase the pay of department heads and other major officials (S. Rept. 1257)(p. 10340).
The Committee reported without amendment H. R. 6590, to prohibit employment by the Government of persons who are disloyal or who participate in or assert the right to strike against the Government (S. Rept. 1256)(p. 10340).
7. EDUCATION. The Labor and Public Welfare Committee reported without amendment S. 2670, to provide for continued Federal assistance to local educational agencies affected by Federal activities (S. Rept. 1251)(p. 10341).
8. PROPERTY; TAXATION. The Government Operations Committee reported with amendment S. 2377, to amend the Federal Property and Administrative Services Act to make temporary provision for payments in lieu of taxes with respect to real property transferred by RFC to other Government departments (S. Rept. 1253)(p. 10341).
9. LAW CODIFICATION. Sen. Holland submitted an amendment which he intends to propose to H. R. 6991, to codify and enact U. S. C., title 21, regarding foods, animal diseases, etc. (p. 10343).
10. REORGANIZATION. Sen. Butler commended the Hoover Commission and inserted various articles on this subject (pp. 10345-9).
11. ROADS. Sen. Case, S. Dak., announced his intention of proposing an amendment to H. R. 6417 (a bill on another subject) to increase the Federal-aid road authorization to \$575 million in order that the road question may be decided this year under a procedure which "leaves out all side issues" (p. 10468).
12. ELECTRIFICATION. Sen. Neuberger commended the late Sen. McNary's record favoring public power (pp. 10516-18).

have time to take that approach—much as I should like to have us do so.

Mr. GOLDWATER. Mr. President, if the Senator from New Jersey will yield to me, let me say that I am sure the Senator from Delaware does not mean that those of us who serve on the committee arrived at an unintelligent decision.

Mr. WILLIAMS. No; I do not mean that.

Mr. GOLDWATER. I assure the Senator that we worked hard on this measure. If our approach to it is not intelligent in the mind of the Senator from Delaware, at least I may say it is intelligent in the committee's mind.

Mr. WILLIAMS. I do not question the intelligence of the committee. I just disagree with its conclusions.

Before the vote on the pending bill is taken, Mr. President, I should like to summarize certain points. The bill was presented to the Senate this afternoon by the chairman of the committee, Mr. MURRAY, and with the direct representation that the bill had the endorsement not only of the Director of the Bureau of the Budget but also of the Director of the Office of Defense Mobilization, Mr. Flemming. However, it has since been established that that representation was inaccurate and that the Director of the Office of Defense Mobilization, Mr. Flemming, who is in charge of the administration of the program, is unalterably opposed to enactment of the bill. He has certified that its enactment would not be in the interest of the national defense.

The minimum cost of the bill is \$285 million with a maximum estimate of \$500 million. It directs the ODM to contract for these minerals at prices from 2 to 3 times the prevailing market price. Furthermore, not only does Mr. Flemming in his adverse report state that these minerals are nonessential to our stockpiling program but also he calls attention to the fact that this bill would force him to buy many of these minerals, the quality of which would not meet stockpile specifications.

To repeat, I think the bill has been inaccurately represented to the Senate, and it should be defeated.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. SMATHERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill having been read the third time, the question is, shall it pass? On this question the yeas and nays have been

ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD] and the Senator from Delaware [Mr. FEARL] are absent on official business.

The Senator from Texas [Mr. JOHNSON] is absent by leave of the Senate because of illness.

I further announce that the Senator from Delaware [Mr. FEARL] is paired with the Senator from Texas [Mr. JOHNSON]. The Senator from Delaware [Mr. FEARL] would vote "nay" and the Senator from Texas [Mr. JOHNSON] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT] is absent because of illness in his family.

The Senator from Vermont [Mr. FLANDERS] and the Senator from Kansas [Mr. SCHOEPPEL] are necessarily absent.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate.

The Senator from Ohio [Mr. BRICKER] is detained on official business at the Department of Justice.

On this vote the Senator from Wyoming [Mr. BARRETT] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Vermont would vote "nay."

The result was announced—yeas 54, nays 34, as follows:

YEAS—54

Allott	Goldwater	McCarthy
Anderson	Hayden	McNamara
Barkley	Hruska	Millikin
Bennett	Humphrey	Morse
Bible	Jackson	Mundt
Bridges	Jenner	Murray
Capehart	Johnston, S. C.	Neely
Carlson	Kefauver	Neuberger
Case, S. Dak.	Kerr	O'Mahoney
Chavez	Kilgore	Potter
Clements	Knowland	Scott
Curtis	Kuchel	Smith, N. J.
Daniel	Langer	Thurmond
Dirksen	Long	Thye
Dworshak	Magnuson	Watkins
Eastland	Malone	Welker
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Young

NAYS—34

Aiken	Green	Purtell
Beall	Hennings	Robertson
Bender	Hill	Russell
Bush	Holland	Saltonstall
Butler	Ives	Smathers
Case, N. J.	Kennedy	Smith, Maine
Cotton	Lehman	Sparkman
Douglas	Martin, Pa.	Stennis
Duff	McClellan	Symington
Fulbright	Monroney	Williams
George	Pastore	
Gore	Payne	

NOT VOTING—8

Barrett	Flanders	Johnson, Tex.
Bricker	Frear	Schoeppel
Byrd	Hickenlooper	

So the bill (H. R. 6373) was passed.

Mr. GOLDWATER. Mr. President, I move that the Senate reconsider the vote by which H. R. 6373 was passed.

Mr. WELKER. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho [Mr. WELKER] to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. MURRAY. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MURRAY, Mr. Scott, and Mr. MALONE conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the bill (S. 1138) to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended, providing certain construction and other authority.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1751) for the relief of Priscilla Louise Davis.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2747) for the relief of Col. McFarland Cockrell.

The message also announced that the House had disagreed to the amendments of the bill (H. R. 5881) to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE, Mr. ASPINALL, Mr. O'BRIEN of New York, Mr. MILLER of Nebraska, and Mr. SAYLOR were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 34) to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1093) to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6382) to amend the International Claims Settlement Act of 1949, as amended, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2851) to make agricultural commodities owned by the Commodity Credit Corporation available to persons in need in areas of acute distress.

July 29, 1955

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3822) to amend title V of the Agricultural Act of 1949, as amended.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3990) to authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 3587. An act granting the consent of the Congress to the negotiation of a compact relating to the waters of the Klamath River by the States of Oregon and California;

H. R. 3822. An act to amend title V of the Agricultural Act of 1949, as amended;

H. R. 4970. An act for the relief of Edeltraud Margot Gallagher, nee Hackelberg;

H. R. 5767. An act for the relief of Sally S. Shulman or Zeli Sholman; and

H. R. 6886. An act to amend the act of October 19, 1949, entitled "An act to assist States in collecting sales and use taxes on cigarettes."

LEASING OF CERTAIN RESTRICTED INDIAN LANDS—CONFERENCE REPORT

Mr. O'MAHONEY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 34) to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 28, 1955, p. 10321, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

ORRIN J. BISHOP—CONFERENCE REPORT

Mr. KILGORE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4249) for the relief of Orrin J. Bishop. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4249) for the relief of Orrin J. Bishop, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same.

HARLEY M. KILGORE,
PRICE DANIEL,
HERMAN WELKER,
JOHN M. BUTLER,

Managers on the Part of the Senate.

THOMAS J. LANE,
E. L. FORRESTER,
WILLIAM E. MILLER,

Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KILGORE. Mr. President, I may say that the House receded from all its objections to the Senate bill and has agreed to the Senate's version of the bill.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

BONDING OF CIVILIAN AND MILITARY PERSONNEL OF FEDERAL GOVERNMENT—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4778) to provide for the purchase of bonds to cover officers and employees of the Government. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 28, 1955, pp. 10322-10323, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSTON of South Carolina. Mr. President, I may say there were only very minor disagreements on the bill, to begin with.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

THE CAPITAL TRANSIT STRIKE AND THE WASHINGTON POLICE FORCE

Mr. LEHMAN. Mr. President, since July 4 this city, Washington, D. C., has been greatly inconvenienced by a strike of the employees of the Capital Transit Co. I shall not at this time discuss the merits of the strike, its causes, or its cure. That is not my purpose today, although I have strong personal views on the subject.

I wish, rather, to say before Congress adjourns what I am sure the people of this city would say if they had representatives through whom they could express their views.

These people, unfortunately, have no elected representatives through whom they can express themselves, either in resentment or in appreciation. I believe my feelings are shared by thousands of people in this District when I commend the officers and men of the Metropolitan Police force for the selfless and uncomplaining role they have taken in easing the burdens of the strike.

I wish to thank them heartily for their patience, devotion and dedication; I wish to say that I believe the people of Washington are deeply indebted to these policemen who have given up their vacations, who have worked overtime, who have stood for hours on end directing traffic in the scorching sun, and who, all the time have remained cheerful and pleasant.

I think that the officers and members of the Washington Police Department, and of the Traffic Bureau, deserve our unanimous and heartfelt thanks and our profoundest respect. They have done a superb job, for which we are all deeply grateful, and they have done their duty without complaint, which merits our unrestrained admiration.

I wish, with all my heart, to say to the policemen of Washington, as a Senator, and as a parttime resident of Washington: "Well done. You are performing above and beyond the call of duty."

(Senate proceedings continued after House proceedings of today's RECORD.)

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House

July 30, 1955

58. MINIMUM WAGE. Agreed to the conference report on S. 2168, to increase the minimum wage, under the Fair Labor Standards Act, to \$1 per hour, effective Mar. 1, 1956 (p. 10559). This bill will now be sent to the President.
59. FORESTRY. Passed without amendment S. 72, to give national forest status to certain lands in Lincoln National Forest, N. Mex. (pp. 10585, 10671). This bill will now be sent to the President.
Passed without amendment H. R. 374, to authorize the adjustment and clarification of ownership of certain lands within the Stanislaus National Forest, Calif. (pp. 10585-6).
Passed with amendments H. R. 426, to authorize this Department to set aside areas of not over 640 acres, in national forests or title 3 Bankhead-Jones lands, for division into lots and sale as townsites (p. 10586).
Passed as reported H. R. 1855, to authorize the Secretary of Agriculture to advance Federal funds in the furtherance of cooperative forestry research projects (p. 10587).
60. LAND TRANSFER. Passed without amendment H. J. Res. 112, to release the reversionary right to improvements on a tract of former Rural Rehabilitation Corp. land in Orangeburg, S. C. (pp. 10589-90).
61. TOBACCO. Passed without amendment S. 2297, to amend the law regarding tobacco marketing quotas and referendums, including a provision to permit a referendum to be conducted on the single question of marketing quotas for 3 years (instead of on 3 years and 1 year, as at present) (pp. 10596-7). This bill will now be sent to the President.
H. R. 6846 and 6847, to make other amendments to this legislation, were discussed and passed over at the requests of Reps. Deane and Burnside, respectively (p. 10596).
62. RICE. Passed without amendment H. R. 7302, to prevent persons from moving from one State to another and taking their rice allotments with them (p. 10597).
Passed without amendment S. 2511, to provide that for 1956 no national rice acreage allotment shall be established which is less than 85% of the final allotment established for the immediately preceding year (pp. 10606-7). This bill will now be sent to the President.
63. FARM LABOR. Passed as reported H. R. 6888, to facilitate the entry of skilled sheepherders chargeable to the immigration quota for Spain (pp. 10597-8).
64. EDUCATION. Passed as reported H. R. 7245, to amend and extend the program for Federal aid to school districts in areas affected by Federal activities (pp. 10604-5).
Passed without amendment S. 2081, to amend the Veterans' Readjustment Assistance Act of 1952 to provide that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training (pp. 10656-7). This bill will now be sent to the President.
65. BONDING EMPLOYEES. Agreed to the conference report on H. R. 4778, to provide for the purchase of bonds to cover Government employees (p. 10655). This bill will now be sent to the President.
66. PUBLIC LANDS; MINING. Received the conference report on H. R. 100, permitting the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development (pp. 10674-5). The Senate agreed to the conference report on this bill (p. 10775).

67. BUILDINGS. Passed without amendment S. 1210, to amend the Public Buildings Act of 1949 so as to provide a 5-year limitation on the period of leases of space for Federal agencies in D. C. (p. 10594). This bill will now be sent to the President.
68. WATER COMPACT. Passed without amendment S. 1391, consenting to a compact between Calif. and Nev. regarding waters of Truckee, Carson, and Walker Rivers and Lake Tahoe (pp. 10583-4). This bill will now be sent to the President.
69. PERSONNEL. Passed as reported H. R. 7619, to adjust pay rates of department heads and other major officials (pp. 10662-6). For provisions of bill, see Digest 128.
Passed as reported S. 1041, providing for inclusion of certain cooperative State service in the authorized coverage of the Civil Service Retirement Act (pp. 10581-2). For provisions of bill, see Digest 110.
Passed as reported S. 1792, to amend the Federal Employees Group Life Insurance Act of 1954 so as to authorize the assumption of the insurance obligations of any nonprofit association of Federal employees (p. 10582). For provisions of bill, see Digest 110.
Passed as reported H. R. 2383, to authorize an Inventive Contributions Awards Board in the Defense Department (pp. 10602-4).
Passed without amendment H. R. 3255, to amend the Classification Act of 1949 to preserve in certain cases the rates of basic pay of officers and employees whose positions are placed in lower grades by virtue of reclassification actions under such Act (pp. 10657-8).
Discussed and, at the requests of Reps. Vanik and Hagen, passed over H. R. 3084, to amend legislation regarding prevention of political activities so as to include State officers and employees (pp. 10604, 10655).
70. RECLAMATION. Passed without amendment H. R. 1603, to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects (p. 10613).
71. PUBLIC LANDS. Passed with amendments H. R. 6994, to provide for entry and location, on discovery of a valuable source material, upon public lands classified as or known to be valuable for coal (pp. 10608-9).
72. ANIMAL DISEASES. Discussed and, at the request of Rep. Hoffman, Mich., passed over S. 1166, to restore, on a modified basis, the authority of this Department to restrict the entry of cattle and poultry into the Virgin Islands (p. 10594).
73. CCC STOCKS. On objection of Rep. Saylor, passed over H. R. 7252, to permit the sale of CCC stocks of basic and storable non-basic agricultural commodities without restriction where similar commodities are exported in raw or processed form (p. 10592).
74. SUBMARGINAL LANDS. At the request of Rep. Cunningham, passed over H. R. 6815, to provide for sale of certain title 3 Bankhead-Jones lands (p. 10594).
75. WILDLIFE CONSERVATION. Discussed and, on objection of Rep. Taber, passed over S. 756, to authorize the appropriation of accumulated receipts in the Federal-aid wildlife-conservation fund (p. 10654).
76. ADJOURNED until Mon., Aug. 1 (p. 10676).
77. LEGISLATIVE PROGRAM. Majority Leader McCormack announced the following among the bills to be considered Mon.: H. R. 7541, increase in CCC borrowing power;

the words "Federal Employees Pay Act of 1945."

Sec. 2. Section 432 (g) of title 14, United States Code, is amended by amending the first sentence thereof to read as follows: "The head of the department in which the Coast Guard is operating, under regulations prescribed by him, may regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard, but such personnel may be called upon for duty in emergency circumstances or otherwise at any time or all times."

Sec. 3. The analysis of chapter 13 of title 14, United States Code, is amended by inserting in such analysis, the following item:

"511. Compensatory absence of military personnel at isolated aids to navigation."

Sec. 4. Chapter 13 of title 14, United States Code, is amended by inserting a new section as follows:

"§ 511. Compensatory absence of military personnel at isolated aids to navigation

"The head of the department in which the Coast Guard is operating, under regulations prescribed by him, may grant compensatory absence from duty to military personnel of the Coast Guard serving in lightships and at lighthouses and other isolated aids to navigation of the Coast Guard when conditions of duty result in confinement because of isolation or in long periods of continuous duty."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7379) was laid on the table.

AMENDMENT OF RAILROAD RETIREMENT ACT AND RAILROAD UNEMPLOYMENT INSURANCE ACT

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4744) to amend the Railroad Retirement Act of 1937, as amended, and the Railroad Unemployment Insurance Act, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, lines 4 and 5, after "appointed", insert ", except one administrative assistant to each member of the Board."

Page 3, line 11, after "appointed", insert ", except one administrative assistant to each member of the Board."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ADJUSTMENT OF OBLIGATIONS OF SETTLERS ON CERTAIN PROJECTS

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1621) to authorize adjustment by the Secretary of Agriculture of certain obligations of settlers on projects developed or subject to the act of August 11, 1939, as amended, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of sections 41 (g), 43, and 51 of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1015 (g), 1017, and 1025), are hereby extended to apply on the obligations of settlers on projects developed under the Act of August 11, 1939, as amended (16 U. S. C. 590y-z), or similar projects under the water conservation and use item of the Department of the Interior Appropriation Act, 1940, as amended (53 Stat. 719), of the type incurred in accordance with section 5 of said act (16 U. S. C. 590z-3), or other obligations to or administered by the Secretary of Agriculture incurred in connection with the development or operation of the project unit, and the Secretary is authorized to make such additional adjustments in the terms and conditions and amounts of any such obligations of such persons or in the price at which project units are sold to settlers as may be reasonably necessary to permit such persons to acquire, develop, and establish successful farming operations on their farm units and repay such adjusted obligations.

With the following committee amendments:

Page 1, line 6, following the words "settlers on", insert "the Angostura."

Page 1, line 6, strike out the word "projects" and insert the word "project" and add the words "in South Dakota."

Page 1, line 8, following the parenthesis strike the comma and insert in lieu thereof a period, and strike the balance of the bill.

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAR HOUSING PROJECTS, NORFOLK, VA.

Mr. BOLLING. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2351) to authorize the conveyance of certain war housing projects to the city of Norfolk, Va.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Housing and Home Finance Administrator is authorized to sell and convey at fair market value as determined by him on the basis of an appraisal made by an independent real estate expert to the city of Norfolk, Va., or to the Norfolk Redevelopment and Housing Authority, or to any agency or corporation established or sponsored in the public interest by such city, all of the right, title, and interest of the United States in and to War Housing Project VA-44075 and War Housing Project VA-44184, or either of them. Any sale pursuant to this authorization shall be on such terms and conditions as the Administrator shall determine, and the amount received for each project shall be reported by the Administrator to the Committee on Banking and Currency of the Senate and the Committee on Banking and Currency of the House of Representatives.

Sec. 2. The authority conferred by this act shall terminate 6 months after the date of its enactment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7073) was laid on the table.

POLITICAL ACTIVITIES BY GOVERNMENT EMPLOYEES

Mr. BEAMER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3084) to amend certain provisions of the laws relating to the prevention of political activities to make them inapplicable to State officers and employees.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. BEAMER]?

Mr. HAGEN. Mr. Speaker, I object.

BONDING OF CIVILIAN AND MILITARY PERSONNEL OF FEDERAL GOVERNMENT

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report on the bill (H. R. 4778) to provide for the purchase of bonds to cover officers and employees of the Government, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. MURRAY]?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 28, 1955.)

The conference report was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING ON MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday at 10 o'clock a. m.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NATHANIEL ROSS MOORE

Mr. LANE. Mr. Speaker, I ask unanimous consent that the bill (H. R. 2043) for the relief of Nathaniel Ross Moore which was on the Private Calendar No. 791, today, be recommitted to the Committee on the Judiciary for the reason that general legislation has already been passed and signed.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FRANCES IRENE SMART

Mr. LANE. Mr. Speaker, I ask unanimous consent for the immediate con-

sideration of a private bill which was passed over this morning for the reason that the report was not available, the bill (H. R. 1513), Private Calendar No. 777, for the relief of Frances Irene Smart.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN. Mr. Speaker, reserving the right to object, has the gentleman cleared this bill with the Private Calendar Committee of Objectors.

Mr. LANE. I understand that they had no objection to it except that the report was not available.

Mr. MARTIN. I believe the gentleman had better confer with them, however.

Mr. AVERY. Mr. Speaker, further reserving the right to object, I might also tell our distinguished minority leader that the Objectors' Committee has not even seen the report.

Mr. LANE. Mr. Speaker, I withdraw the request.

AMENDING VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952

Mr. TEAGUE of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2081) to amend the Veterans' Readjustment Assistance Act of 1952 to provide that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training.

The Clerk read as follows:

Be it enacted, etc., That the first sentence of subsection (d) of section 232 of the Veterans' Readjustment Assistance Act of 1952 (38 U. S. C., sec. 942) is hereby amended to read as follows: "The education and training allowance of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) \$95 per month, if he has no dependent, or (2) \$110 per month, if he has 1 dependent, or (3) \$130 per month, if he has more than 1 dependent; except that his education and training allowance shall be reduced at the end of the third, and each subsequent, 4-month period as his program progresses by an amount which bears the same ratio to \$65 per month, if the veteran has no dependent, or \$80 per month, if he has 1 dependent, or \$100 per month, if he has more than 1 dependent, as 4 months bears to the total duration of such veteran's institutional on-farm training reduced by 8 months."

SEC. 2. The amendment made by this act shall take effect as of the first day of the second calendar month which begins after the date of its enactment, but for the purposes of computing education and training allowances to be paid after such first day, such amendment shall be deemed to have been in effect since July 16, 1952.

The SPEAKER. Is a second demanded?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I demand a second.

A second was considered as ordered.

Mr. TEAGUE of Texas. Mr. Speaker, this bill should only take a few minutes. Under the present law, a veteran training under the farm program under Public Law 550 has his allowance from the Federal Government reduced every 4 months. It is the opinion of the people

dealing with this legislation that that is very unrealistic, and that a veteran under the farm program should not have this money reduced at least until the end of a crop cycle or an animal cycle.

This bill is identical to the bill H. R. 4006, which was reported unanimously from the Committee on Veterans' Affairs on June 22 and on which a rule has been granted by the Rules Committee. Mr. Speaker, Mrs. ELIZABETH KEE, of West Virginia, introduced H. R. 4006 and she is chairman of the Committee on Education and Training. I wish to compliment Mrs. KEE, Congressman ED EDMONDSON, of Oklahoma, Congressman B. F. SISK, of California, Congressman WILLIAM AYRES, of Ohio, and Congressman ROSS ADAIR, of Indiana, for their work in behalf of this bill. Every veteran group supported the bill, the Veterans Administration supported the bill, and we have had many, many requests from all over the United States for the enactment of this bill.

Under the existing law—Public Law 550, 82d Congress—a veteran of the Korean conflict taking on-farm training has his training allowance reduced at the end of each 4-month period.

Administration of this act shows that the veteran taking this type of training should be allowed at least one animal- or crop-production cycle before the reduction formula begins to operate.

Hearings were held on this proposal before the Subcommittee on Education and Training and, as I have indicated, the bill was reported unanimously by our committee, as well as the Senate committee.

The cost to the Government for enactment of this bill would be \$324 per trainee for a 36-month course. The overall cost for the next 5 years is as follows:

Fiscal year:	H. R. 4006 (suspend— 12 months— farm)
1956-----	\$3,500,000
1957-----	4,000,000
1958-----	4,000,000
1959-----	3,500,000
1960-----	3,000,000

The effect on the individual veteran as a result of the enactment of this proposal would be as indicated in the table below:

Months in training	Public Law 550, 82d Cong.	H. R. 4006, 84th Cong.
1 to 4-----	\$130	\$130
5 to 8-----	118	130
9 to 12-----	107	130
13 to 16-----	96	115
17 to 20-----	85	101
21 to 24-----	74	87
25 to 28-----	63	72
29 to 32-----	52	58
33 to 36-----	41	44

There are 34,196 veterans enrolled in the program.

It should be noted that the Veterans' Administration is in favor of the bill as reported by the committee.

All this bill does is to provide for a 12-months' delay in reducing the veterans' allowance.

Mrs. KEE. Mr. Speaker, after careful consideration the Veterans' Affairs Committee unanimously reported H. R. 4006, a bill to amend the Veterans' Readjustment Assistance Act of 1952. This bill provides that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training.

The purpose of this proposed legislation is to modify the so-called automatic reduction formula applicable to on-job and on-farm trainees enrolled under the Veterans' Readjustment Assistance Act of 1952, as amended.

The automatic reduction formulae establishes the rates of education and training allowances for apprenticeship and other training on the job and for institutional on-farm training, and provides for such allowances to be reduced at the end of each 4-month period as the veteran's training progresses.

However, it has been clearly shown that this formula as applicable to on-farm training does not take into account the realities of farming operations because on-farm trainees cannot ordinarily anticipate income from their farms until the end of a crop or marketing cycle which is usually near the end of their first year of training.

This bill retains the principle of the automatic reduction formula intact, but would merely modify the formula applicable to on-farm training so as to suspend all reductions during the initial 12 months' training. This is reasonable and stimulates the veteran to progressive self-improvement during the period of training to the end that he will become sufficiently self-sustaining by the completion of his training program so as to continue with his farming operation.

In this connection, Mr. Speaker, I wish to especially thank the members of the Veterans' Affairs Committee's Subcommittee on Education and Training for the diligent manner in which they reviewed and studied this question. I wholeheartedly join with them in urging the House of Representatives to pass this bill today.

Mr. SISK. Mr. Speaker, I want to strongly urge the Members to pass this bill so that we may have a practical, workable on-farm training program for veterans who want to go into farming as a life career and so that they may have benefits comparable to those already enjoyed by other veterans who choose education for other pursuits.

I introduced a bill which is identical with that now before you, as did other Members. They were carefully considered in the Committee on Veterans Affairs and were favorably reported out with the endorsement of veteran organizations, the Veterans' Administration and many State directors of vocational training.

The fact of the matter is that many veterans now cannot go into this program because the schedule of subsistence allowances is unrealistic and will not provide for their needs until they are able to harvest their crops and obtain income from them.

This bill would postpone quarterly reductions in allowances for a period of 12

Public Law 323 - 84th Congress
Chapter 683 - 1st Session
H. R. 4778

AN ACT

To provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14 of title 6 of the United States Code is amended to read as follows:

61 Stat. 650.

“§ 14. Purchase of Bonds to Cover Officers and Employees of the Federal Government

“(a) Subject to subsection (b) of this section, the head of each department and independent establishment in the executive branch of the Federal Government shall obtain, under regulations which shall be promulgated by the Secretary of the Treasury, blanket, position schedule, or other types of surety bonds covering the civilian officers and employees and military personnel of such department or independent establishment who are required by law or administrative ruling to be bonded. The appropriate officials of the legislative and judicial branches of the Federal Government may obtain any or all of such types of surety bonds covering such officers and employees under their respective jurisdictions as such officials may deem appropriate to be bonded. Each bond obtained under this section shall be of the most economical type available for the number and type of personnel to be bonded and shall be conditioned upon the faithful performance of the duties of the individual or individuals so bonded. The bond premium may cover a period not exceeding two years and shall be paid from any funds available for the payment of administrative expenses at the time such premium becomes payable. Whenever any civilian officers or employees or military personnel are covered by a bond under authority of this section, the surety or sureties on any existing bond of any such civilian officers or employees or military personnel shall not be liable for any defaults occurring subsequent to the date of the new coverage. For purposes of this section, the term ‘faithful performance of the duties’ shall include the proper accounting for all funds or property received by reason of the position or employment of the individual or individuals so bonded and all duties and responsibilities imposed upon such individual or individuals by law or by regulation issued pursuant to law.

69 Stat. 618.
69 Stat. 619.

“(b) If, in the opinion of the head of the department or independent establishment concerned, the premium cost for any bond procured under this section covering officers or employees in the executive branch of the Federal Government will exceed the rate of \$150 per annum, the procurement of such bond shall be made by the head of such department or independent establishment only after advertising a sufficient time previously for proposals for the furnishing of such bond, except that such advertising for proposals shall not be required when the public exigencies require the immediate procurement of such bond.

“(c) The Secretary of the Treasury shall transmit to the Congress, on or before June 30, 1956, a comprehensive report of the operations of the departments and independent establishments under this section. Thereafter, the Secretary of the Treasury shall transmit to the Congress on or before October 1 of each year, beginning with the year 1957, a comprehensive report of such operations during the preceding fiscal year. Such report shall include, among other matters, information, in summary and in detail, with respect to operations under this section, setting forth—

Reports to
Congress.

“(1) the number of officers and employees covered by bonds procured under this section,

"(2) the number and types of bonds procured under this section and the individual penal sums thereof,

"(3) the amounts of the premiums paid for bonds procured under this section, and

"(4) such other information as may be necessary to enable the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives to determine the results of operations under this section.

The reports submitted by the Secretary of the Treasury under this section shall be delivered to the President of the Senate and to the Speaker of the House of Representatives (or to the Clerk of the House and the Secretary of the Senate, respectively, if the Congress is not in session) on the same day, and shall be referred to the Committee on Post Office and Civil Service of each House."

^{69 Stat. 619.}
^{69 Stat. 620.} 61 Stat. 648. SEC. 2. The last sentence of section 6 of title 6 of the United States Code is amended to read as follows: "Except with respect to bonds obtained under section 14 of this title, no officer or person having the approval of any bond shall require that such bond shall be furnished by a guaranty company or by any particular guaranty company."

SEC. 3. The analysis of title 6 of the United States Code, immediately preceding section 1 of such title, is amended by striking out the item "14. Rate of premium on bond; premiums not to be paid by United States." and inserting in lieu thereof the following:

"14. Purchase of bonds to cover officers and employees of the Federal Government."

Effective date. SEC. 4. The amendments made by this Act shall take effect on January 1, 1956.

Approved August 9, 1955.